














A Simple Choice:

Vanguard[®] Target Retirement Funds

You lead a busy life. It can be hard to find the time to focus on your retirement plan. That's why Vanguard has introduced Target Retirement Funds. Pick just one and you can be done with investing decisions—for good.

Choosing the right fund

Choosing the right Target Retirement Fund is easy. Just pick the date-specific fund nearest your expected retirement date (2050, 2045, 2040, 2035, 2030, 2025, 2020, 2015, 2010, or 2005). If you're retired, Vanguard Target Retirement Income Fund maintains a conservative investment mix appropriate for retirees.

Current age	Suggested Vanguard® Fund	Investment Mix*
18–23	Target Retirement 2050 Fund	 10% 90%
24–28	Target Retirement 2045 Fund	 10% 90%
29–33	Target Retirement 2040 Fund	 10% 90%
34–38	Target Retirement 2035 Fund	 10% 90%
39–43	Target Retirement 2030 Fund	 10% 90%
44–48	Target Retirement 2025 Fund	 17.5% 82.5%
49–53	Target Retirement 2020 Fund	 25% 75%
54–58	Target Retirement 2015 Fund	 33.3% 66.7%
59–63	Target Retirement 2010 Fund	 40% 60%
64–69	Target Retirement 2005 Fund	 50% 50%
70+	Target Retirement Income Fund	 5% 30% 65%

■ Stocks ■ Bonds ■ Short-term reserves

Less aggressive

*Approximate allocation targets for each fund for 2006. Allocation for date-specific funds will shift (from stocks to bonds and short-term reserves) over time based on an assumed retirement age of 65.

A quick Q&A

Q: What are Target Retirement Funds?

A: Target Retirement Funds are broadly diversified funds that gradually and automatically shift to more conservative investments over time. No matter what your age, you'll be invested appropriately given your time to retire. Each of the Target Retirement Funds is a complete investment package, so any one can serve as your entire plan portfolio. Keep in mind that although Target Retirement Funds can simplify investment selection, all mutual fund investing is subject to risk. Diversification does not ensure a profit or protect against a loss in a declining market.

Q: How are Target Retirement Funds invested?

A: Each Target Retirement Fund invests in up to seven broadly diversified Vanguard funds—most of which are index-based—and is a complete portfolio in itself.

Q: What if I plan to retire in a year that falls between two Target Retirement Fund years?

A: Choose the fund nearest your expected retirement date. For example, if you expect to retire in 2039 at age 67, you'd choose Vanguard Target Retirement 2040 Fund.

Q: Is a Target Retirement Fund appropriate for a new investor?

A: Yes. You have only one decision to make—when you expect to retire. Vanguard does the rest, assembling and managing the mix of stocks, bonds, and short-term reserves appropriate for your stage of retirement planning.

Q: Is a Target Retirement Fund appropriate for an experienced investor who has limited time to manage his or her money?

A: Yes. Target Retirement Funds allow you to implement sophisticated investing strategies while leaving the time-consuming details of portfolio management to Vanguard. Target Retirement Funds allow you to take advantage of Vanguard's years of experience providing investment advice to high-net-worth and institutional investors.

Q: Can I lose money in a Target Retirement Fund?

A: Vanguard Target Retirement Funds can go up and down in value based on market fluctuations. The funds are managed with the long-term goal of retirement in mind, which means they will take certain risks to help your money grow over time.

Q: Why do some of the Target Retirement Funds have the same investment mix?

A: The target allocations of the funds dated 2030 to 2050 are currently identical. However, as time passes, each fund will gradually shift toward a more conservative allocation depending on the maturity date of the fund.

For more information about any fund, including investment objectives, risks, charges, and expenses, you can download Vanguard fund prospectuses at www.vanguard.com. The prospectus contains this and other important information about the fund; read and consider the prospectus information carefully before you invest. You can also write Vanguard at P.O. Box 2900, Valley Forge, PA 19482-2900.

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