



For more information, contact the Vanguard PR Hotline at 610-669-5002, vanguard_media_relations@vanguard.com, or @Vanguard_PR

PRESS RELEASE

VANGUARD 529 COLLEGE SAVINGS PLAN INVESTORS SAVE ESTIMATED \$2.5 MILLION THROUGH EXPENSE RATIO REDUCTIONS

VALLEY FORGE, PA (May 3, 2016)—Vanguard today announced lower expense ratios on the full range of investment options in The Vanguard 529 College Savings Plan. The aggregate savings amount to approximately \$2.5 million per year for the plan’s more than 300,000 beneficiaries.

The reported reductions for the plan’s three age-based options and 19 individual portfolio options are two basis points or more. This marks the eighth time the plan has reduced expense ratios since its introduction 14 years ago.

“As investors continue to entrust their assets to Vanguard 529 College Savings Plan and the plan grows in scale, we are able to pass along cost savings in the form of expense ratio reductions,” said Charu Gross, head of Vanguard’s Education Savings Group. “Saving for college remains a primary goal for many of our investors and we continue to believe that investors should have access to low-cost college savings plans.”

The plan is one of four 2015 Gold-rated 529 college-savings plans by Morningstar, representing some of the best options available to college savers. Morningstar, an independent firm that provides fund information and analysis for investors, evaluated 53 plans based on five key pillars—Process, People, Parent, Price, and Performance—which they consider essential to long-term outperformance on a risk-adjusted basis. According to Morningstar, Gold-rated plans stand out for their attractive investment lineups, well-resourced asset-allocation teams, capable oversight, and competitive fees.*

The plan is sponsored by the State of Nevada and recordkeeping services are provided

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by Ascensus College Savings. Available to investors across the U.S., the plan has approximately \$12.3 billion in assets. The available investment options include three age-based portfolios, conservative, moderate, and aggressive options, maintaining diversified allocations to broad markets across the U.S. stock and bond market and the international stock market.

Expense Ratio Changes

Investment Options	Former Expense Ratio	New Expense Ratio	Savings (bps)
Age-Based Options			
Vanguard Aggressive Option	0.19%	0.17%	2
Vanguard Moderate Option	0.19%	0.17%	2
Vanguard Conservative Option	0.19%	0.17%	2
Individual Portfolios			
Equity Portfolios:			
500 Index Portfolio	0.21%	0.19%	2
Aggressive Growth Portfolio	0.19%	0.17%	2
Growth Index Portfolio	0.28%	0.26%	2
Mid-Cap Index Portfolio	0.26%	0.24%	2
Morgan Growth Portfolio	0.47%	0.45%	2
Small-Cap Index Portfolio	0.26%	0.24%	2
Total International Stock Index Portfolio	0.37%	0.35%	2
Total Stock Market Index Portfolio	0.21%	0.19%	2
Value Index Portfolio	0.28%	0.26%	2
Windsor Portfolio	0.46%	0.44%	2
Balanced Portfolios:			
Conservative Growth Portfolio	0.19%	0.17%	2
Growth Portfolio	0.19%	0.17%	2
Moderate Growth Portfolio	0.19%	0.17%	2
STAR Portfolio	0.49%	0.45%	4
Fixed Income Portfolios:			
	0.19%	0.17%	2
High-Yield Bond Portfolio	0.34%	0.32%	2
Income Portfolio	0.19%	0.17%	2
Inflation-Protected Securities Portfolio	0.27%	0.25%	2
Total Bond Market Index Portfolio	0.24%	0.22%	2
Short-Term Reserves Portfolio:			
Interest Accumulation Portfolio	0.19%	0.17%	2

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A 529 College Savings Plan Leader

Vanguard manages approximately \$63 billion in college savings assets across 31 college savings plans and six prepaid tuition plans in 31 states. As one of the largest 529 college savings plan provider in the U.S., Vanguard brings nearly two decades of experience to the 529 industry, offering a broad range of age-based, index, and actively managed investment options.**

Lowering Expenses, a Continuous Cycle

Over the past few months, Vanguard has announced expense ratio reductions across more than 200 fund shares, resulting in aggregate savings of about \$215 million to Vanguard clients.*** In 1975, when Vanguard managed \$1.8 billion in U.S. fund assets, the average expense ratio for its funds was 0.89%. Today, Vanguard manages \$3.2 trillion in U.S. fund assets and the average expense ratio of the firm's funds was 0.18% as of the end of 2015.****

About Vanguard

Vanguard is one of the world's largest investment management companies. As of March 31, 2016, Vanguard managed more than \$3.4 trillion in global assets. The firm, headquartered in Valley Forge, Pennsylvania, offers more than 345 funds to its more than 20 million investors worldwide. For more information, visit vanguard.com.

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* **The Morningstar Analyst Rating® for 529 College-Savings Plans is not a credit or risk rating.** The rating is the subjective summary expression of the firm's forward-looking quantitative and qualitative analysis of a 529 college savings plan. Analyst Ratings are assigned on a five-tier scale running from Gold to Negative. The top three ratings (Gold, Silver, and Bronze) indicate that Morningstar's analysts think highly of a 529 plan; the differences correspond to the level of analyst conviction in the ability a plan's investment options have to collectively outperform their respective benchmarks and peers through time, within the context of the level of risk taken. The Analyst Rating seeks to evaluate each plan's investment options within the context of its objectives, appropriate benchmarks, and peer groups. Usually annually (although subject to change), Morningstar evaluates 529 plans in five different areas—process, performance, price, parent, and people—and assigns an Analyst Rating for more than 50 529 plans. Gold plans are the analysts' highest-conviction recommendations. By giving a plan a Gold rating, Morningstar analysts are expressing an expectation that the plan's investment options collectively will outperform their relevant performance benchmarks and/or peer groups within the context of the level of risk taken over the long term (defined as a full market cycle or

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at least five years). Plans earning Silver or Bronze medalist ratings are also viewed positively by Morningstar analysts, have notable advantages, and are likely to outperform their peers. A Neutral rating indicates plans that are not likely to deliver standout returns, but are also unlikely to significantly underperform. A Negative rating indicates, in Morningstar's view, that a plan's investment options have at least one major flaw likely to significantly hinder future performance. While these ratings can help with the selection process, they should not be the only factor used to choose the investment. For more information about the Analyst Ratings, as well as other Morningstar ratings and fund rankings, please visit Morningstar.com.

**Source: Strategic Insight

***Vanguard calculation based on average fund assets over a 12-month period and the change in expense ratios through fiscal year August 2015, September 2015, October 2015, November 2015, and December 2015.

****Source: Lipper and Vanguard

All asset figures are as of March 31, 2016, unless otherwise stated.

For more information on Vanguard funds, visit vanguard.com, or call 800-662-7447 to obtain a prospectus or, if available, a summary prospectus. Visit our website, call 800-662-7447, or contact your broker to obtain a prospectus for Vanguard ETF Shares. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

All investments are subject to risk, including the possible loss of the money you invest.

For more information about The Vanguard 529 College Savings Plan, call 866-734-4530 or visit www.vanguard.com to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other information; read and consider it carefully before investing. Vanguard Marketing Corporation, Distributor and Underwriter.

If you are not a Nevada taxpayer, consider before investing whether your or the designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.

The Vanguard 529 College Savings Plan is a Nevada Trust administered by the Board of Trustees of the College Savings Plans of Nevada, chaired by the Nevada State Treasurer.

The Vanguard Group, Inc., serves as the Investment Manager and through its affiliate, Vanguard Marketing Corporation, markets and distributes the Plan. Ascensus Broker Dealer Services, Inc. serves as Program Manager and has overall responsibility for the day-to-day operations. The Plan's portfolios, although they invest in Vanguard mutual funds, are not mutual funds. Investment returns are not guaranteed and you could lose money by investing in the plan.

Vanguard Marketing Corporation, Distributor.