Focus on trust services:
Why choosing a corporate trustee makes sense

Whether you already have a trust or are in the process of setting one up, it’s important to select the right trustee to oversee it. A trust can last for years, so you’ll need a trustee with the time and interest—as well as your complete confidence—to carry out the long-term obligations.

A trustee’s many tasks
Trustees must not only make sure that financial affairs are handled according to the trust document, but also have to assume a fiduciary responsibility to protect and manage the trust assets. That means:

• Distributing trust assets as directed in the trust document.
• Performing principal and income accounting.
• Preparing and filing tax forms.
• Addressing specific beneficiary issues.
• Investing the trust assets for the benefit of all interested parties.
• Managing the assets tax-efficiently.
• Having a thorough understanding of the applicable and ever-changing fiduciary and tax laws.

You could take care of all this yourself or appoint a family member to do it. But the responsibility for such tasks—and the risks of mishandling them—is a lot to ask of anyone, let alone a favorite uncle or close friend. That’s why many people who establish a trust choose a corporate trustee.

Consider a corporate trustee
Appointing a corporate trustee makes sense if you don’t have the time, desire, or investment experience to manage your trust, and you doubt that friends and family members do either. Corporate trustees have the fiduciary experience necessary to make sure your trust is administered according to its terms. They can bring the objectivity, continuity, and tax efficiency you want for your beneficiaries. And corporate trustees won’t abdicate because of illness, death, or divorce; nor will they take a vacation, move away, or be sidetracked by personal issues.
It’s your choice

You can choose the role you want Vanguard to play in your trust. Vanguard National Trust Company, a federally chartered, limited-purpose trust company can serve as a sole trustee or partner as a co-trustee with a family member or friend you’ve selected. If you want, we can help you determine the arrangement that best fits your situation. And the total cost for the trust services we provide is often less than what you’d pay, on average, just to hold mutual funds (with no asset management or trust services) at other companies.*

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<tr>
<th>Role</th>
<th>How it works</th>
<th>What to expect</th>
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<td>Trustee (sole or co-trustee)</td>
<td>As sole trustee, we serve as both investment manager and trust administrator. As a co-trustee, we’ll still have these same responsibilities, but we’ll also work with your chosen trustee.</td>
<td>Objective investment management and impartial oversight and administration of your trust.</td>
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<td>Financial advisor for your trustee</td>
<td>You appoint your own trustee, but we provide the investment management.</td>
<td>Objective investment management based on a custom mix of low-cost, tax-efficient Vanguard mutual funds.</td>
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<td>Successor trustee</td>
<td>You name us as your successor trustee now, and in the future we’ll step in whenever you or the current trustee can no longer carry out the duties.</td>
<td>Access to our trust specialists until we need to step in as trustee. Then, once we’ve evaluated the trust to make sure it meets our requirements, we’ll assume the role of trustee.</td>
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We’re here to help

Vanguard offers expertise, leadership, and longevity for your trust and can reduce the burden on you and your family. Whereas an individual trustee may need to search around for consultants and other experts, we have a dedicated team of trust specialists who are available to answer your questions and help you.

With our trust services, you’ll continue to receive the same low-cost, client-first focus you’ve come to expect from Vanguard. Our salaried trust professionals receive no commissions, so the advice and services they offer are driven solely by the interests of you and your beneficiaries.

To learn more about our trust services, please call us at 800-331-0335 on business days from 8:30 a.m. to 5 p.m., Eastern time.

*On a $500,000 portfolio, the minimum annual fee of $4,500 would be assessed. This represents 0.90% of the total portfolio, which—when added to the 0.19% average expense ratio of Investor Shares of Vanguard mutual funds—would result in a total cost of 1.09%, a figure that’s less than the average mutual fund expense ratio of 1.11%. Additional fees of $2,500 per registration may apply for certain trust services. This fee covers trust administration or consulting, principal and income reporting, tax preparation and filing, and beneficiary communications. (Sources: Vanguard and Lipper, a Thomson Reuters Company, as of December 31, 2012. Vanguard average expense ratio: 0.19%; industry average: 1.11%.) This hypothetical illustration is not intended to represent the actual cost associated with any particular investment.

All investing is subject to risk, including the possible loss of the money you invest.

Vanguard National Trust Company is a federally chartered, limited-purpose trust company operated under the supervision of the Office of the Comptroller of the Currency.