

## Broker-Dealer Client Relationship Summary (Form CRS)

February 25, 2022

### Vanguard Marketing Corporation (VMC)

*Registered with the Securities and Exchange Commission (SEC) as a Broker-Dealer.*

The services provided by a broker-dealer and other financial services providers, like an investment advisor, will differ, as well as the fees charged by such providers. It's important to understand who can provide you with the level of financial services and investment support you need at a price reasonable to you. The SEC makes free and simple tools and educational materials available to research firms and financial professionals at [investor.gov/CRS](http://investor.gov/CRS).

### What investment services and advice can you provide me?

VMC, doing business as Vanguard Brokerage Services® (VBS), is a registered broker-dealer that provides a self-directed brokerage platform for retail clients. Through VBS, you can open a cash or margin account to buy and sell mutual funds, ETFs, stocks, fixed income products (such as corporate, agency and municipal bonds, US Treasury securities, and certificates of deposit), and options. You can open either general investment taxable accounts or tax-deferred retirement accounts, including traditional IRAs or Roth IRAs. We do not provide investment recommendations or monitoring services, and do not exercise discretion over retail accounts. There are no account minimum requirements to open or maintain a brokerage account; however, certain brokerage products and mutual funds may impose minimum initial investment amounts.

For more information regarding account and brokerage services, please go to [vanguard.com](http://vanguard.com).

**Conversation Starters:** Consider these questions prior to engaging a financial service provider. You can find responses at [investor.vanguard.com/CRSFAQ](http://investor.vanguard.com/CRSFAQ) or call one of our representatives at the number provided below.



- Given my financial situation, should I choose a brokerage service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### What fees will I pay?

We charge a \$20 annual account service fee; however, we don't charge the fee if you hold a certain level of assets in Vanguard ETFs and mutual funds, or elect e-delivery for certain brokerage communications.

You can trade Vanguard ETFs and mutual funds commission-free online or by phone. You can trade most other ETFs, mutual funds, stocks, and options commission-free online. Option trades are subject to a \$1 per contract fee. The commissions you are charged are determined by your total investment in Vanguard ETFs and mutual funds:

Non-Vanguard product costs per trade			
Vanguard mutual fund and ETF assets	ETFs & stocks	No-transaction-fee mutual funds	Transaction-fee mutual funds
Less than \$1 million	Phone = \$25	Phone = \$25	Phone = Online rate + \$25 broker-assisted fee, Online = \$20
Above \$1 million up to \$5 million	Phone or online = \$0		First 25 free, \$8 after
Above \$5 million	Phone or online = \$0		First 100 free, \$8 after

You can trade U.S. Treasuries commission-free. You can trade CDs and other fixed income products commission-free in the new issue market; in the secondary market the commission is \$1 per bond or CD, plus a \$25 broker-assisted fee for certain transactions by phone. You may be charged a \$50 processing fee for certain foreign securities trades. Visit our website for more information regarding Vanguard Brokerage Services commission & fee schedules at [vanguard.com/commissions](http://vanguard.com/commissions).

All ETFs and mutual funds are subject to management fees and expenses that are assessed by the product's issuer. You may also pay a purchase or early redemption fee for certain mutual fund transactions. You can find information about fees and expenses in the ETF or mutual fund prospectus.

You may be charged a \$10 wire fee for each holding you're redeeming. You won't be charged a fee for electronic bank transfers.

Where a broker-dealer receives transaction fees a retail investor would be charged more when there are more trades in their account, and therefore the firm may have an incentive to encourage a retail investor to trade often. However, because we do not provide recommendations or monitoring this conflict is mitigated.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.



Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

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### What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

*We **do not** provide recommendations. The way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the services we provide you. Here are some examples to help you understand what this means.*

Your investments in Vanguard mutual funds and ETFs will result in the payment of the funds' expense ratios. The funds' expense ratios are received by The Vanguard Group, Inc. (an entity wholly owned by the individual member funds themselves) as revenue. Non-Vanguard mutual funds will pay us for sales made through our trading platform as well as for services provided to investors in those funds. We receive 12b-1 payments from certain mutual funds, which may equal up to 1% of a mutual fund's assets under management at VBS on an annual basis. Shareholder servicing fees may equal up to 0.40% of a mutual fund's assets under management at VBS on an annual basis. Any 12b-1 and shareholder servicing fees are not paid directly by you, but rather are paid by the fund or one of its affiliates to us.



How might your conflicts of interest affect me, and how will you address them?

We do not receive any payment for equities or options order flow nor do we receive any monetary payments, or other direct or indirect benefit that would result in compensation, or consideration in return for the routing of customer orders.

### How do your financial professionals make money?

Our broker-dealer representatives are salaried employees who are not paid commissions for products sold, transactions executed, or the amount of assets serviced.



As a financial professional, do you have any disciplinary history? For what type of conduct?

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### Do you or your financial professionals have legal or disciplinary history?

Yes. For more information related to legal or disciplinary history disclosure go to [investor.gov/CRS](https://investor.gov/CRS). There, you will find a free and simple search tool to research VMC and its financial professionals.



Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

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Additional information regarding Vanguard Brokerage can be obtained through our website at [investor.vanguard.com](https://investor.vanguard.com). You can also call one of our representatives at 877-662-7447 to request a copy of this Form CRS.

## Advisor Client Relationship Summary (Form CRS)

March 31, 2022

Vanguard Advisers, Inc. (VAI)

*Registered with the Securities and Exchange Commission (SEC) as an Investment Adviser.*

The services provided by an investment advisor and other financial services providers, like a broker-dealer, will differ, as well as the fees charged by such providers. It's important to understand who can provide you with the level of financial services and investment support you need at a price reasonable to you. The SEC makes free and simple tools and educational materials available to research firms and financial professionals at [investor.gov/CRS](https://investor.gov/CRS).

### What investment services and advice can you provide me?

We offer several types of investment advisory services to retail investors: robo discretionary, hybrid discretionary, and hybrid non-discretionary. Each program is explained in more detail below and will vary in cost, account minimums, features, and access to financial advisors. All options will require your accounts to be with Vanguard. Our lead investment recommendations will generally only include Vanguard ETFs and mutual funds, and will generally not include purchases of individual securities or bonds, CDs, options, derivatives, annuities, third-party mutual funds, closed-end funds, partnerships, or other non-Vanguard securities.

In our robo discretionary offers we provide online financial planning tools designed to help you create a goal-based financial plan, and the service will create an investment strategy aligned with your personal inputs. We'll monitor your enrolled accounts frequently using an algorithm. We'll have full investment discretion in order to transact as necessary to align your account(s) with your goal(s). Enrollment requires cash or eligible securities in a Vanguard Brokerage Account totaling at least \$3,000.

Our hybrid discretionary offers include the same features as our robo discretionary offers, with the opportunity to consult with a financial advisor to refine your investment plan and goal(s). Enrollment minimums vary by program.

Our hybrid non-discretionary offer provides ongoing advised account services. You'll work with a financial advisor, agree upon a financial plan and investment strategy, and grant us authority to trade your account(s) in accordance with that plan. We will not implement or change your plan without your approval. We will monitor your accounts and rebalance, as needed, on a quarterly basis. This service requires a minimum of \$50,000 of investable cash or securities in the advised portfolio.

**Additional Information:** For more information about the services, see the "Advisory business" and "Types of clients" sections of each program brochure, which can be found at <https://personal1.vanguard.com/ngf-next-gen-form-webapp/forms> under the Vanguard Advisers, Inc. heading.

**Conversation Starters:** Consider these questions before choosing a financial service. You can find more information on these conversation starters at <https://personal1.vanguard.com/ngf-next-gen-form-webapp/forms> or call us at the number provided below.



- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

### What fees will I pay?

Our discretionary offers each charge gross advisory fees and then credit any revenue Vanguard retains from the assets held in your accounts to arrive at a net advisory fee. The amount of this credit will vary by account and holdings.

For our non-discretionary offer, the annual advisory fee is charged on advised assets and the fee rate decreases on a tiered level as advised assets increase. In addition, where mutual funds are held in your account (including Vanguard), there are built-in fees known as "expense ratios." These are the costs for the fund company to run a fund and will vary by fund, so your combined fees for advice and investments will vary.

Fees for all offers are calculated on a rolling 90-day period based on your average daily balance in the portfolio over the entire fee period. We do not charge advisory fees on the balance of money market funds or other

cash equivalents held within your portfolio. As you invest more assets in the programs, the amount of fees we collect will increase; therefore, there could be incentive to encourage you to increase your assets.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

**Additional Information:** There may be additional fees, including account service fees, and non-Vanguard fund fees, as discussed in more detail in the “Fees and compensation” section of each program’s Form ADV Brochure.



Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

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### What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment advisor, we have to act in your best interest and put your interests ahead of ours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

- Our lead advice will be to invest in Vanguard funds. You will pay the funds’ expense ratios. The funds’ expense ratios are received by The Vanguard Group, Inc., as revenue. The discretionary services reimburse any revenue received by Vanguard from the gross advisory fee.
- You may qualify for more than one of our advisory services – each with different levels of fees and benefits – that will advise you to invest your enrolled assets in substantially the same portfolio.
- We’ll also require your advised assets to be in accounts held with our affiliates. Those accounts may be subject to additional fees, like account service fees, commissions, and other charges and processing fees. If you were to transact in non-Vanguard funds through a Vanguard Brokerage Account, our affiliate, Vanguard Marketing Corporation, may receive transaction fees, front-end and back-end loads, sales charges, 12b-1 fees, and revenue-sharing payments from certain non-Vanguard funds.

**Additional Information:** See the “Fees and compensation” section of each program’s Form ADV Brochure for more details on how we and our affiliates make money and the conflicts involved.



How might your conflicts of interest affect me, and how will you address them?

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### How do your financial professionals make money?

Our advisors servicing the hybrid discretionary and hybrid non-discretionary services are salaried employees who do not earn commissions or additional compensation based on the products they recommend or the amount of assets they service.

Our robo discretionary service does not employ financial professionals who directly advise or manage individual client accounts. The professionals responsible for the service and methodology are salaried employees who do not earn commissions or additional compensation based on the products they recommend or the amount of assets serviced.

### Do you or your financial professionals have legal or disciplinary history?

Yes. For more information related to legal or disciplinary history disclosure go to [investor.gov/CRS](https://investor.gov/CRS). There, you will find a free and simple search tool to research us and our financial professionals.



As a financial professional, do you have any disciplinary history? For what type of conduct?

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For more information regarding our advisory services, obtain a copy of Form ADV or Form CRS from [adviserinfo.sec.gov](https://adviserinfo.sec.gov), or contact us at 800-523-9447 to request a copy.



Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

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