



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: October 20, 2010
TO: Wisconsin Deferred Compensation Board
FROM: Shelly Schueller, Director
Wisconsin Deferred Compensation Program
SUBJECT: Addition of Vanguard Target Date 2055 Fund

The Investment Committee and staff recommend the Board consider adding the Vanguard Target Retirement Date 2055 Fund to the lifecycle series of investment options offered to participants in the Wisconsin Deferred Compensation Program (WDC).

The Vanguard Target Date 2055 Fund, designed for investors who are presently between the ages of 18 and 22 and who will retire in 2055, opened in mid-August 2010. As the attached prospectus indicates, this fund invests in low-cost Vanguard index funds and functions in the same way as the other Vanguard Target Date funds, including a low expected expense ratio of 0.19 percent. Over time the 2055 fund will automatically shift its asset allocation mix from aggressive to more conservative. The beginning asset allocation mix for the 2055 fund is 90 percent stocks and 10 percent bonds. By the year 2055, the 2055 fund will be half stocks, half bonds, and in 2062 the fund is expected to reach its final mix of 30 percent stocks and 70 percent bonds.

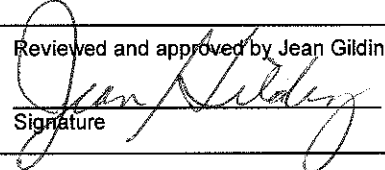
The Investment Committee discussed the Vanguard Target Date 2055 Fund at its August 31, 2010 meeting, and agreed that adding this fund to the lifecycle series is appropriate. There is no other lifecycle fund within the WDC that is appropriate for younger participants. Currently the lifecycle series ends with the Vanguard Target Date 2045 Fund.

Recommendation

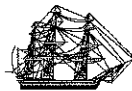
The Investment Committee recommends the Board consider adding the Vanguard Target Retirement Date 2055 fund to the list of WDC investment options. Staff concurs with this recommendation; the Vanguard Target Date 2055 Fund will provide a lifecycle fund option for younger-aged WDC participants that is presently unavailable.

Staff from Vanguard, AAG and the Department will be available to discuss this recommendation with you at the Board meeting on November 16, 2010.

Attachment

Reviewed and approved by Jean Gilding, DRS Division Administrator

Signature _____ Date 10/20/10

Board	Mtg Date	Item #
DC	11.16.10	14(a)



Vanguard®

Vanguard Target Retirement Funds Prospectus

August 18, 2010

Investor Shares

Vanguard Target Retirement Income Fund Investor Shares (VTINX)
Vanguard Target Retirement 2005 Fund Investor Shares (VTOVX)
Vanguard Target Retirement 2010 Fund Investor Shares (VTENX)
Vanguard Target Retirement 2015 Fund Investor Shares (VTXVX)
Vanguard Target Retirement 2020 Fund Investor Shares (VTWNX)
Vanguard Target Retirement 2025 Fund Investor Shares (VTTVX)
Vanguard Target Retirement 2030 Fund Investor Shares (VTHR X)
Vanguard Target Retirement 2035 Fund Investor Shares (VTTHX)
Vanguard Target Retirement 2040 Fund Investor Shares (VFORX)
Vanguard Target Retirement 2045 Fund Investor Shares (VTIVX)
Vanguard Target Retirement 2050 Fund Investor Shares (VFIFX)
Vanguard Target Retirement 2055 Fund Investor Shares (VFFVX)

This prospectus contains financial data for the Funds that were in operation through the fiscal period ended March 31, 2010.

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

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Vanguard Target Retirement Income Fund

Investment Objective

The Fund seeks to provide current income and some capital appreciation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.17%
Total Annual Fund Operating Expenses	0.17%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$17	\$55	\$96	\$217

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 29% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors currently in retirement. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Bond Market II Index Fund 45.5%
- Vanguard Total Stock Market Index Fund 23.3%
- Vanguard Inflation-Protected Securities Fund 20.3%
- Vanguard Prime Money Market Fund 5.0%
- Vanguard European Stock Index Fund 2.8%
- Vanguard Pacific Stock Index Fund 1.6%
- Vanguard Emerging Markets Stock Index Fund 1.5%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds; inflation-indexed bonds issued by the U.S. government; and mortgage-backed securities.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect short-term investments consist of high-quality, short-term money market instruments.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses. There is no guarantee that the Fund will provide adequate income through retirement. However, because bonds and short-term investments usually are less volatile than stocks, and because the Fund invests most of its assets in bonds and short-term investments, the Fund's overall level of risk should be low to moderate.

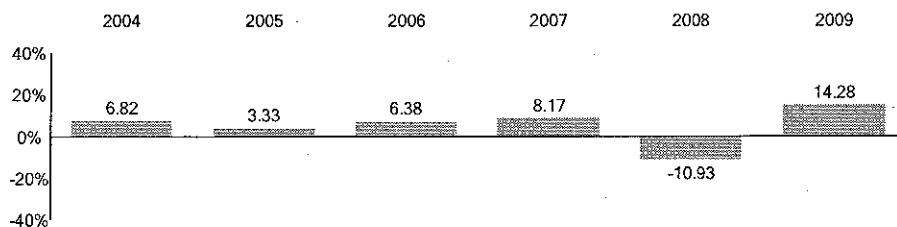
- With approximately 70% of its assets allocated to bonds and money market instruments, the Fund is proportionately subject to the following risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that an underlying fund's income will decline because of falling interest rates or declining inflation; *credit risk*, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline, thus reducing an underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. An underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- With approximately 30% of its assets allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index and the Barclays Capital U.S. Treasury Inflation Notes Index; for short-term reserves, the Citigroup 3-Month Treasury Bill Index; and for U.S. stocks, the Dow Jones Wilshire 5000 Total Market Index from inception through April 22, 2005, and the MSCI US Broad Market Index thereafter. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was 1.21%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 7.44% (quarter ended September 30, 2009), and the lowest return for a quarter was -5.47% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	5 Years	Since Inception (Oct. 27, 2003)
Vanguard Target Retirement Income Fund Investor Shares			
Return Before Taxes	14.28%	3.89%	4.66%
Return After Taxes on Distributions	13.36	2.68	3.46
Return After Taxes on Distributions and Sale of Fund Shares	9.39	2.66	3.33
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)			
Barclays Capital U.S. Aggregate Bond Index	5.93%	4.97%	4.94%
Dow Jones U.S. Total Stock Market Index	29.35	1.09	4.15
MSCI US Broad Market Index	28.76	1.05	4.11
Target Income Composite Index	14.32	3.81	4.62

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor
The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2003.

Purchase and Sale of Fund Shares

You may purchase or redeem shares online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1110, Valley Forge, PA 19482-1110), or by telephone (800-662-2739). The following table provides the Fund's minimum initial and subsequent investment requirements.

Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2005 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.17%
Total Annual Fund Operating Expenses	0.17%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$17	\$55	\$96	\$217

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 44% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors who have retired and left the work force in 2005 (the target year) or within a few years thereof. The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bond and other fixed income investments will increase. Within seven years after 2005, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Bond Market II Index Fund 44.1%
- Vanguard Total Stock Market Index Fund 27.8%
- Vanguard Inflation-Protected Securities Fund 17.5%
- Vanguard Prime Money Market Fund 3.5%
- Vanguard European Stock Index Fund 3.4%
- Vanguard Pacific Stock Index Fund 1.9%
- Vanguard Emerging Markets Stock Index Fund 1.8%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds; inflation-indexed bonds issued by the U.S. government; and mortgage-backed securities.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. However, because bonds usually are less volatile than stocks, and because the Fund currently invests approximately half of its assets in fixed income securities, the Fund's overall level of risk should be moderate.

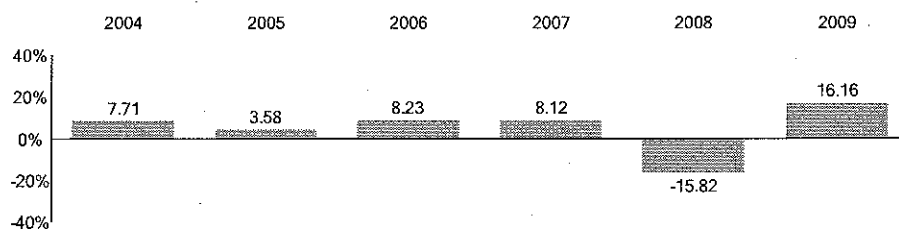
- With approximately 65% of its assets currently allocated to bonds and money market instruments, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that an underlying fund's income will decline because of falling interest rates or declining inflation; *credit risk*, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline, thus reducing an underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. An underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- With approximately 35% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index and the Barclays Capital U.S. Treasury Inflation Notes Index; and for U.S. stocks, the Dow Jones Wilshire 5000 Total Market Index from inception through April 22, 2005, and the MSCI US Broad Market Index thereafter. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was 0.55%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 8.50% (quarter ended September 30, 2009), and the lowest return for a quarter was -7.93% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	5 Years	Since Inception (Oct. 27, 2003)
Vanguard Target Retirement 2005 Fund Investor Shares			
Return Before Taxes	16.16%	3.46%	4.65%
Return After Taxes on Distributions	15.34	2.47	3.70
Return After Taxes on Distributions and Sale of Fund Shares	10.68	2.44	3.50
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)			
Barclays Capital U.S. Aggregate Bond Index	5.93%	4.97%	4.94%
Dow Jones U.S. Total Stock Market Index	29.35	1.09	4.15
MSCI US Broad Market Index	28.76	1.05	4.11
Target 2005 Composite Index	16.38	3.43	4.65

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor

The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2003.

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Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2010 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.17%
Total Annual Fund Operating Expenses	0.17%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$17	\$55	\$96	\$217

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 41% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2010 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2010, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Bond Market II Index Fund 40.4%
- Vanguard Total Stock Market Index Fund 39.3%
- Vanguard Inflation-Protected Securities Fund 10.3%
- Vanguard European Stock Index Fund 4.7%
- Vanguard Pacific Stock Index Fund 2.7%
- Vanguard Emerging Markets Stock Index Fund 2.6%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate

bonds; inflation-indexed bonds issued by the U.S. government; and mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. However, because bonds usually are less volatile than stocks, and because the Fund currently invests a significant portion of its assets in fixed income securities, the Fund's overall level of risk should be moderate.

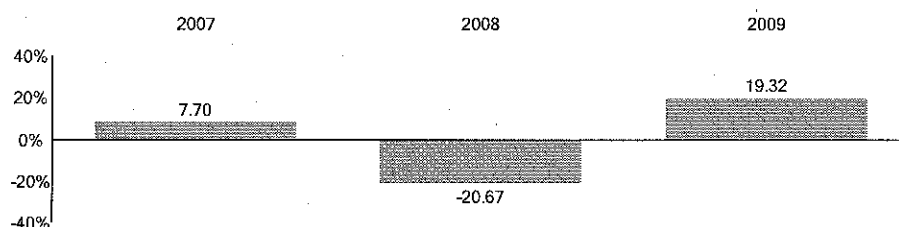
- With approximately 49% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- With approximately 51% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates or declining inflation; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. An underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index and the Barclays Capital U.S. Treasury Inflation Notes Index; and for U.S. stocks, the MSCI US Broad Market Index. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -0.93%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 10.55% (quarter ended June 30, 2009), and the lowest return for a quarter was -10.63% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	Since Inception (Jun. 7, 2006)
Vanguard Target Retirement 2010 Fund Investor Shares		
Return Before Taxes	19.32%	3.29%
Return After Taxes on Distributions	18.57	2.59
Return After Taxes on Distributions and Sale of Fund Shares	12.79	2.47
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)		
MSCI US Broad Market Index	28.76%	-0.79%
Barclays Capital U.S. Aggregate Bond Index	5.93	6.44
Target 2010 Composite Index	19.44	3.18

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor
The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2006.

Purchase and Sale of Fund Shares

You may purchase or redeem shares online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1110, Valley Forge, PA 19482-1110), or by telephone (800-662-2739). The following table provides the Fund's minimum initial and subsequent investment requirements.

Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2015 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.17%
Total Annual Fund Operating Expenses	0.17%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$17	\$55	\$96	\$217

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 37% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2015 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2015, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 47.2%
- Vanguard Total Bond Market II Index Fund 40.8%
- Vanguard European Stock Index Fund 5.7%
- Vanguard Pacific Stock Index Fund 3.2%
- Vanguard Emerging Markets Stock Index Fund 3.1%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests more of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

- With approximately 60% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.

With approximately 40% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.

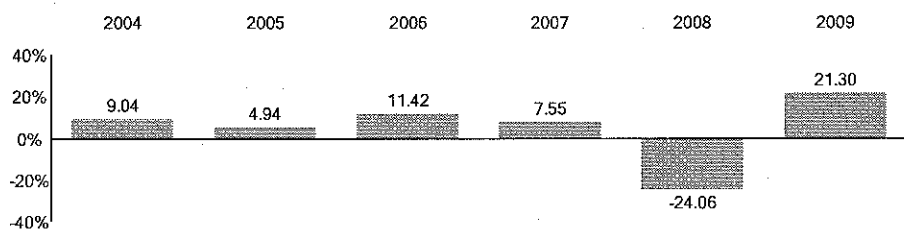
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the Dow Jones Wilshire 5000 Total Market Index from inception through April 22, 2005, and the MSCI US Broad Market Index thereafter. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -2.03%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 12.21% (quarter ended June 30, 2009), and the lowest return for a quarter was -12.54% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	5 Years	Since Inception (Oct. 27, 2003)
Vanguard Target Retirement 2015 Fund Investor Shares			
Return Before Taxes	21.30%	2.98%	4.66%
Return After Taxes on Distributions	20.57	2.24	3.94
Return After Taxes on Distributions and Sale of Fund Shares	14.13	2.21	3.68
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)			
Dow Jones U.S. Total Stock Market Index	29.35%	1.09%	4.15%
MSCI US Broad Market Index	28.76	1.05	4.11
Barclays Capital U.S. Aggregate Bond Index	5.93	4.97	4.94
Target 2015 Composite Index	21.38	2.91	4.60

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor
The Vanguard Group, Inc.

Portfolio Manager

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Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2020 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.18%
Total Annual Fund Operating Expenses	0.18%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$18	\$58	\$101	\$230

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 27% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2020 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2020, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 53.6%
- Vanguard Total Bond Market II Index Fund 32.9%
- Vanguard European Stock Index Fund 6.4%
- Vanguard Pacific Stock Index Fund 3.6%
- Vanguard Emerging Markets Stock Index Fund 3.5%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests more of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

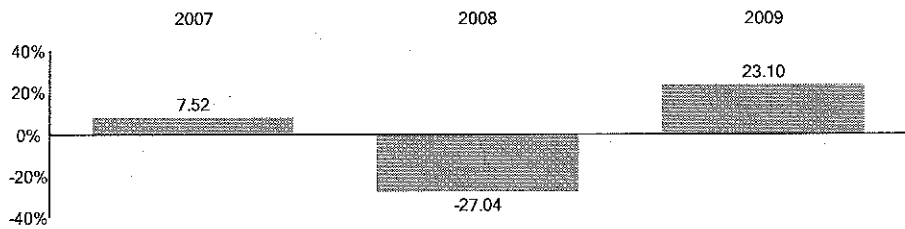
- With approximately 67% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- With approximately 33% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the MSCI US Broad Market Index. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -3.06%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 13.49% (quarter ended June 30, 2009), and the lowest return for a quarter was -14.51% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	Since Inception (Jun. 7, 2006)
Vanguard Target Retirement 2020 Fund Investor Shares		
Return Before Taxes	23.10%	2.22%
Return After Taxes on Distributions	22.47	1.67
Return After Taxes on Distributions and Sale of Fund Shares	15.32	1.67
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)		
MSCI US Broad Market Index	28.76%	-0.79%
Barclays Capital U.S. Aggregate Bond Index	5.93	6.44
Target 2020 Composite Index	23.27	2.10

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor
The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2006.

Purchase and Sale of Fund Shares

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Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2025 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.18%
Total Annual Fund Operating Expenses	0.18%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$18	\$58	\$101	\$230

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 21% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2025 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2025, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 59.4%
- Vanguard Total Bond Market II Index Fund 25.6%
- Vanguard European Stock Index Fund 7.1%
- Vanguard Pacific Stock Index Fund 4.0%
- Vanguard Emerging Markets Stock Index Fund 3.9%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests more of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

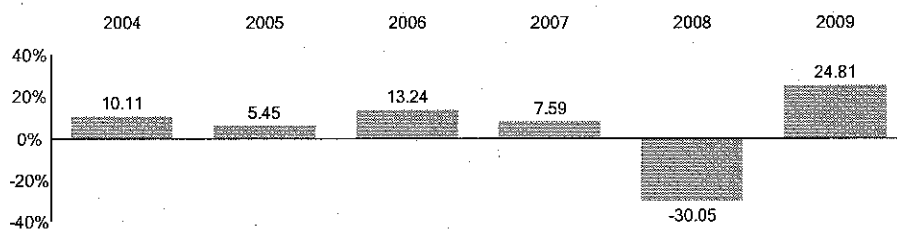
- With approximately 75% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- With approximately 25% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

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Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the Dow Jones Wilshire 5000 Total Market Index from inception through April 22, 2005, and the MSCI US Broad Market Index thereafter. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -3.98%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 14.84% (quarter ended June 30, 2009), and the lowest return for a quarter was -16.48% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	5 Years	Since Inception (Oct. 27, 2003)
Vanguard Target Retirement 2025 Fund Investor Shares			
Return Before Taxes	24.81%	2.32%	4.41%
Return After Taxes on Distributions	24.22	1.73	3.83
Return After Taxes on Distributions and Sale of Fund Shares	16.48	1.76	3.57
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)			
Dow Jones U.S. Total Stock Market Index	29.35%	1.09%	4.15%
MSCI US Broad Market Index	28.76	1.05	4.11
Barclays Capital U.S. Aggregate Bond Index	5.93	4.97	4.94
Target 2025 Composite Index	25.13	2.28	4.36

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor

The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2003.

Purchase and Sale of Fund Shares

You may purchase or redeem shares online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1110, Valley Forge, PA 19482-1110), or by telephone (800-662-2739). The following table provides the Fund's minimum initial and subsequent investment requirements.

Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2030 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.19%
Total Annual Fund Operating Expenses	0.19%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$19	\$61	\$107	\$243

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 13% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2030 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2030, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 65.5%
- Vanguard Total Bond Market II Index Fund 18.0%
- Vanguard European Stock Index Fund 7.9%
- Vanguard Pacific Stock Index Fund 4.4%
- Vanguard Emerging Markets Stock Index Fund 4.2%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests more of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

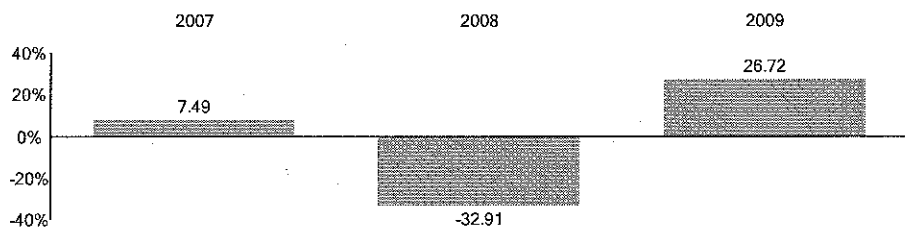
- With approximately 82% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- With approximately 18% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the MSCI US Broad Market Index. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -4.97%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 16.23% (quarter ended June 30, 2009), and the lowest return for a quarter was -18.45% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	Since Inception (Jun. 7, 2006)
Vanguard Target Retirement 2030 Fund Investor Shares		
Return Before Taxes	26.72%	1.07%
Return After Taxes on Distributions	26.22	0.64
Return After Taxes on Distributions and Sale of Fund Shares	17.74	0.78
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)		
MSCI US Broad Market Index	28.76%	-0.79%
Barclays Capital U.S. Aggregate Bond Index	5.93	6.44
Target 2030 Composite Index	27.01	1.00

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

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Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2035 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.19%
Total Annual Fund Operating Expenses	0.19%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$19	\$61	\$107	\$243

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 9% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2035 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2035, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 71.5%
- Vanguard Total Bond Market II Index Fund 10.4%
- Vanguard European Stock Index Fund 8.6%
- Vanguard Pacific Stock Index Fund 4.8%
- Vanguard Emerging Markets Stock Index Fund 4.7%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests more of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

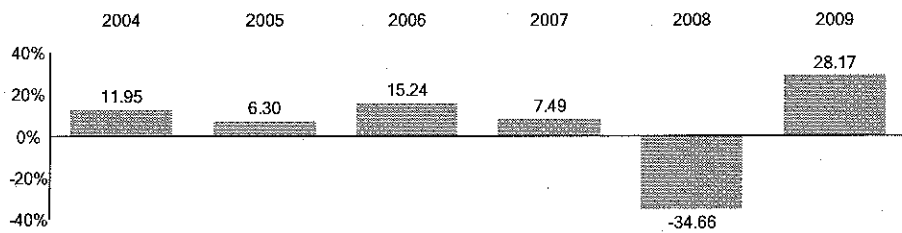
- With approximately 90% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.
- With approximately 10% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the Dow Jones Wilshire 5000 Total Market Index from inception through April 22, 2005, and the MSCI US Broad Market Index thereafter. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -5.85%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 17.27% (quarter ended June 30, 2009), and the lowest return for a quarter was -19.72% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	5 Years	Since Inception (Oct. 27, 2003)
Vanguard Target Retirement 2035 Fund Investor Shares			
Return Before Taxes	28.17%	1.98%	4.60%
Return After Taxes on Distributions	27.69	1.53	4.15
Return After Taxes on Distributions and Sale of Fund Shares	18.73	1.56	3.84
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)			
Dow Jones U.S. Total Stock Market Index	29.35%	1.09%	4.15%
MSCI US Broad Market Index	28.76	1.05	4.11
Barclays Capital U.S. Aggregate Bond Index	5.93	4.97	4.94
Target 2035 Composite Index	28.52	1.96	4.61

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor
The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2003.

Purchase and Sale of Fund Shares

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Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2040 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.19%
Total Annual Fund Operating Expenses	0.19%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$19	\$61	\$107	\$243

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 9% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2040 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2040, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 71.8%
- Vanguard Total Bond Market II Index Fund 10.1%
- Vanguard European Stock Index Fund 8.6%
- Vanguard Pacific Stock Index Fund 4.8%
- Vanguard Emerging Markets Stock Index Fund 4.7%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests more of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

- With approximately 90% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.

With approximately 10% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.

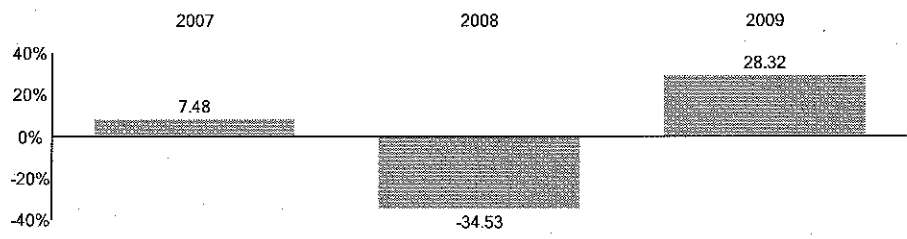
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

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Annual Total Returns

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Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -5.93%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 17.13% (quarter ended June 30, 2009), and the lowest return for a quarter was -19.62% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	Since Inception (Jun. 7, 2006)
Vanguard Target Retirement 2040 Fund Investor Shares		
Return Before Taxes	28.32%	0.61%
Return After Taxes on Distributions	27.87	0.23
Return After Taxes on Distributions and Sale of Fund Shares	18.80	0.42
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)		
MSCI US Broad Market Index	28.76%	-0.79%
Barclays Capital U.S. Aggregate Bond Index	5.93	6.44
Target 2040 Composite Index	28.52	0.47

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

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Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2045 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.19%
Total Annual Fund Operating Expenses	0.19%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$19	\$61	\$107	\$243

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 10% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2045 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2045, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 71.8%
- Vanguard Total Bond Market II Index Fund 10.1%
- Vanguard European Stock Index Fund 8.6%
- Vanguard Pacific Stock Index Fund 4.8%
- Vanguard Emerging Markets Stock Index Fund 4.7%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests most of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

- With approximately 90% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. Country/regional risk is especially high in emerging markets.

With approximately 10% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.

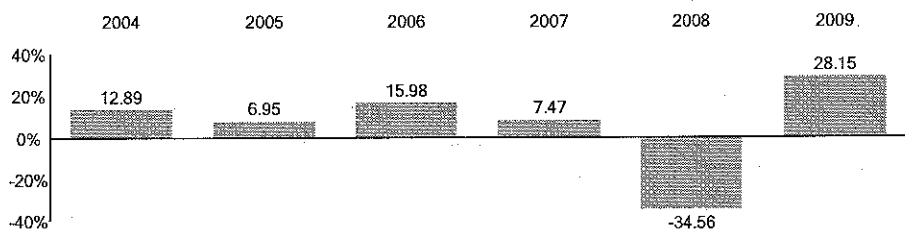
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the Dow Jones Wilshire 5000 Total Market Index from inception through April 22, 2005, and the MSCI US Broad Market Index thereafter. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -5.91%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 17.15% (quarter ended June 30, 2009), and the lowest return for a quarter was -19.65% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	5 Years	Since Inception (Oct. 27, 2003)
Vanguard Target Retirement 2045 Fund Investor Shares			
Return Before Taxes	28.15%	2.25%	5.11%
Return After Taxes on Distributions	27.67	1.83	4.69
Return After Taxes on Distributions and Sale of Fund Shares	18.71	1.82	4.30
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)			
Dow Jones U.S. Total Stock Market Index	29.35%	1.09%	4.15%
MSCI US Broad Market Index	28.76	1.05	4.11
Barclays Capital U.S. Aggregate Bond Index	5.93	4.97	4.94
Target 2045 Composite Index	28.52	2.19	5.09

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor

The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2003.

Purchase and Sale of Fund Shares

You may purchase or redeem shares online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1110, Valley Forge, PA 19482-1110), or by telephone (800-662-2739). The following table provides the Fund's minimum initial and subsequent investment requirements.

Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2050 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.19%
Total Annual Fund Operating Expenses	0.19%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds remain the same. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$19	\$61	\$107	\$243

Portfolio Turnover

The Fund may pay transaction costs, such as purchase fees, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the previous expense example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 8% of the average value of its portfolio.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2050 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2050, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. As of June 30, 2010, the Fund's asset allocation among the underlying funds was:

- Vanguard Total Stock Market Index Fund 71.8%
- Vanguard Total Bond Market II Index Fund 10.1%
- Vanguard European Stock Index Fund 8.6%
- Vanguard Pacific Stock Index Fund 4.8%
- Vanguard Emerging Markets Stock Index Fund 4.7%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests most of its assets in stocks, the Fund's overall level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

- With approximately 90% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region.

With approximately 10% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.

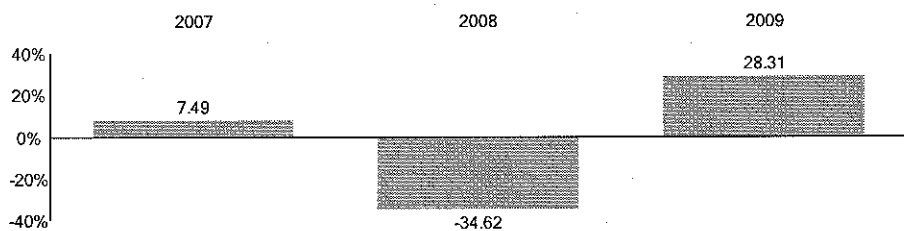
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a relevant market index and a composite bond/stock index. The composite index is derived by applying the Fund's target asset allocation to the results of the following benchmarks: for international stocks of developed markets, the MSCI EAFE Index; for emerging markets stocks, the Select Emerging Markets Index from inception through August 23, 2006, and the MSCI Emerging Markets Index thereafter; for bonds, the Barclays Capital U.S. Aggregate Bond Index; and for U.S. stocks, the MSCI US Broad Market Index. MSCI EAFE Index returns are adjusted for withholding taxes applicable to Luxembourg holding companies. Keep in mind that the Fund's past performance (before and after taxes) does not indicate how the Fund will perform in the future. Updated performance information is available online at www.vanguard.com/performance or by calling 800-662-7447.

Annual Total Returns—Investor Shares¹



¹ The year-to-date return as of the most recent calendar quarter, which ended on June 30, 2010, was -5.91%.

During the periods shown in the bar chart, the highest return for a calendar quarter was 17.23% (quarter ended June 30, 2009), and the lowest return for a quarter was -19.71% (quarter ended December 31, 2008).

Average Annual Total Returns for Periods Ended December 31, 2009

	1 Year	Since Inception (Jun. 7, 2006)
Vanguard Target Retirement 2050 Fund Investor Shares		
Return Before Taxes	28.31%	0.73%
Return After Taxes on Distributions	27.86	0.34
Return After Taxes on Distributions and Sale of Fund Shares	18.80	0.52
Comparative Indexes (reflect no deduction for fees, expenses, or taxes)		
MSCI US Broad Market Index	28.76%	-0.79%
Barclays Capital U.S. Aggregate Bond Index	5.93	6.44
Target 2050 Composite Index	28.52	0.59

Actual after-tax returns depend on your tax situation and may differ from those shown in the preceding table. When after-tax returns are calculated, it is assumed that the shareholder was in the highest individual federal marginal income tax bracket at the time of each distribution of income or capital gains or upon redemption. State and local income taxes are not reflected in the calculations. Please note that after-tax returns are not relevant for a shareholder who holds fund shares in a tax-deferred account, such as an individual retirement account or a 401(k) plan. Also, figures captioned *Return After Taxes on Distributions and Sale of Fund Shares* will be higher than other figures for the same period if a capital loss occurs upon redemption and results in an assumed tax deduction for the shareholder.

Investment Advisor

The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2006.

Purchase and Sale of Fund Shares

You may purchase or redeem shares online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1110, Valley Forge, PA 19482-1110), or by telephone (800-662-2739). The following table provides the Fund's minimum initial and subsequent investment requirements.

Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Vanguard Target Retirement 2055 Fund

Investment Objective

The Fund seeks to provide capital appreciation and current income consistent with its current asset allocation.

Fees and Expenses

The following tables describe the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees

(Fees paid directly from your investment)

Sales Charge (Load) Imposed on Purchases	None
Purchase Fee	None
Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None
Account Service Fee (for fund account balances below \$10,000)	\$20/year

Annual Fund Operating Expenses

(Expenses that you pay each year as a percentage of the value of your investment)

Management Expenses	None
12b-1 Distribution Fee	None
Other Expenses	None
Acquired Fund Fees and Expenses	0.19%
Total Annual Fund Operating Expenses (estimated)	0.19%

Example

The following example is intended to help you compare the cost of investing in the Fund (based on the fees and expenses of the Acquired Funds) with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that operating expenses of the Fund and its underlying funds match our estimates. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years
\$19	\$61

Portfolio Turnover

The Fund has no operating history and therefore has no portfolio turnover information.

Primary Investment Strategies

The Fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the work force in or within a few years of 2055 (the target year). The Fund is designed for an investor who plans to withdraw the value of an account in the Fund gradually after the target year. The Fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. Within seven years after 2055, the Fund's asset allocation should become similar to that of the Target Retirement Income Fund. The Fund's asset allocation among the underlying funds is expected to be as follows:

- Vanguard Total Stock Market Index Fund 71.8%
- Vanguard Total Bond Market II Index Fund 10.1%
- Vanguard European Stock Index Fund 8.6%
- Vanguard Pacific Stock Index Fund 4.8%
- Vanguard Emerging Markets Stock Index Fund 4.7%

At any given time, the Fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments.

The Fund's indirect stock holdings consist substantially of large-capitalization U.S. stocks and, to a lesser extent, of mid- and small-cap U.S. stocks, as well as foreign stocks.

The Fund's indirect bond holdings are a diversified mix of short-, intermediate-, and long-term investment-grade, taxable U.S. government, U.S. agency, and corporate bonds, as well as mortgage-backed securities.

Primary Risks

The Fund is subject to the risks associated with the stock and bond markets, any of which could cause an investor to lose money. An investment in the Fund is not guaranteed. An investor may experience losses, including losses near, at, or after the target year. There is no guarantee that the Fund will provide adequate income at and after the target year. Because stocks usually are more volatile than bonds, and because the Fund currently invests most of its assets in stocks, the Fund's overall

level of risk should be higher than that of funds that invest the majority of their assets in bonds; however, the level of risk should be lower than that of funds investing entirely in stocks.

- With approximately 90% of its assets currently allocated to stocks, the Fund is proportionately subject to *stock market risk*, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The Fund is also subject to the following risks associated with investments in foreign stocks: *currency risk*, which is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates; and *country/regional risk*, which is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region.
- With approximately 10% of its assets currently allocated to bonds, the Fund is proportionately subject to bond risks: *interest rate risk*, which is the chance that bond prices overall will decline because of rising interest rates; *income risk*, which is the chance that the underlying fund's income will decline because of falling interest rates; *credit risk*, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the underlying fund's return; and *call risk*, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The underlying fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as *prepayment risk*.
- The Fund is also subject to *asset allocation risk*, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Annual Total Returns

The Fund began operations on August 18, 2010, so performance information is not yet available.

Investment Advisor
The Vanguard Group, Inc.

Portfolio Manager

Duane Kelly, Principal of Vanguard. He has managed the Fund since its inception in 2010.

Purchase and Sale of Fund Shares

You may purchase or redeem shares online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1110, Valley Forge, PA 19482-1110), or by telephone (800-662-2739). The following table provides the Fund's minimum initial and subsequent investment requirements.

Account Minimums	Investor Shares
To open and maintain an account	\$3,000
To add to an existing account	\$100 (other than by Automatic Investment Plan, which has no established minimum)

Tax Information

The Fund's distributions may be taxable as ordinary income or capital gain.

Payments to Financial Intermediaries

The Fund and its investment advisor do not pay financial intermediaries for sales of Fund shares or related services.

Investing in Vanguard Target Retirement Funds

This prospectus provides information about the Vanguard Target Retirement Funds, a group of mutual funds that separately invest in up to seven other Vanguard stock, bond, and money market mutual funds. Because they invest in other funds, rather than in individual securities, each Fund is considered a "fund of funds."

Each Target Retirement Fund is designed to provide an investment portfolio for investors who would rather use asset allocations developed by Vanguard than try to build their own retirement investment portfolios. The Funds are constructed based on our investment experience that, over the long term, stocks generally provide greater growth opportunities and greater risk than bonds, and bonds generally provide more income and lower volatility than stocks. The year in the Fund name refers to the approximate year (the target date) when an investor in the Fund would retire and leave the work force. The year-specific Target Retirement Funds strive to produce more income and lower volatility as the target year approaches.

The Target Retirement Funds do not provide guaranteed income or payouts, nor can they ensure that you will have assets in your account sufficient to cover your retirement expenses or that you will have enough saved to be able to retire in the target year identified in the fund name. That will depend on the amount of money you have invested in your Target Retirement Fund, the length of time you have held your investment, the returns of the markets over time, the amount you spend in retirement, and your other assets and income sources.

Once you determine your expected retirement year, you can choose a Target Retirement Fund close to that date. As the target year approaches, the Funds' asset allocations begin to shift their emphasis away from stocks and towards bond and money market investments to help provide more income and help reduce volatility. The Target Retirement Income Fund is intended for investors currently in retirement, and its asset allocation is expected to remain stable over time. Because we anticipate that you will live for many years after you retire, the Target Retirement Funds will continue to have significant investments in stocks even as you approach, and then begin, retirement.


The asset allocations Vanguard has selected for its Target Retirement Funds are based on our investment experience and are geared to the average investor. If you wish to take on less (or more) risk, you can do so by selecting Target Retirement Funds with target dates earlier (or later) than your expected retirement date.

Vanguard may change the selection of underlying funds or the allocation of assets to those funds, if we believe a change will benefit shareholders. Shareholders will be notified in advance of any future changes.

Plain Talk About 'Fund of Funds'

The term 'fund of funds' is used to describe a mutual fund that pursues its objective by investing in other mutual funds. A fund of funds may charge for its own direct expenses, in addition to bearing a proportionate share of the expenses charged by the underlying funds in which it invests. A fund of funds is best suited for long-term investors.

More on the Funds

This prospectus describes the primary risks you would face as a Fund shareholder. It is important to keep in mind one of the main axioms of investing: The higher the risk of losing money, the higher the potential reward. The reverse, also, is generally true: The lower the risk, the lower the potential reward. As you consider an investment in any mutual fund, you should take into account your personal tolerance for fluctuations in the securities markets. Look for this  symbol throughout the prospectus. It is used to mark detailed information about the more significant risks that you would confront as a Fund shareholder. To highlight terms and concepts important to mutual fund investors, we have provided Plain Talk® explanations along the way. Reading the prospectus will help you decide whether a Fund is the right investment for you. We suggest that you keep this prospectus for future reference.

Plain Talk About Costs of Investing

Costs are an important consideration in choosing a mutual fund. That's because you, as a shareholder, pay the costs of operating a fund, plus any transaction costs incurred when the fund buys or sells securities. These costs can erode a substantial portion of the gross income or the capital appreciation a fund achieves. Even seemingly small differences in expenses can, over time, have a dramatic effect on a fund's performance.

The following sections explain the primary investment strategies and policies that each Fund uses in pursuit of its objective. The Fund's board of trustees, which oversees the Fund's management, may change investment strategies or policies in the interest of shareholders without a shareholder vote, unless those strategies or policies are designated as fundamental. As "funds of funds," the Target Retirement Funds achieve their investment objectives by investing in other Vanguard mutual funds. Because each Target Retirement Fund holds only a limited number of underlying funds, it is classified as nondiversified. However, through its investments in diversified underlying funds, each Target Retirement Fund indirectly owns a diversified portfolio of stocks and bonds.

Asset Allocation Framework

Asset allocation—that is, dividing your investment among stocks, bonds, and short-term investments—is one of the most critical decisions you can make as an investor. It is also important to recognize that the asset allocation strategy you use today may not be appropriate as you move closer to retirement. The Target Retirement Funds are designed to provide you with a single Fund whose asset allocation changes over time and becomes more conservative as you approach retirement, meaning that the

percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

The following table shows the asset allocation for each Fund as of June 30, 2010.

Underlying Vanguard Fund	Target Retirement Fund					
	Income	2005	2010	2015	2020	2025
Total Stock Market Index	23.3%	27.8%	39.3%	47.2%	53.6%	59.4%
European Stock Index	2.8	3.4	4.7	5.7	6.4	7.1
Pacific Stock Index	1.6	1.9	2.7	3.2	3.6	4.0
Emerging Markets Stock Index	1.5	1.8	2.6	3.1	3.5	3.9
Total Bond Market II Index	45.5	44.1	40.4	40.8	32.9	25.6
Inflation-Protected Securities	20.3	17.5	10.3	0	0	0
Prime Money Market	5.0	3.5	0	0	0	0
Client's Target Age	75	70	65	60	55	50

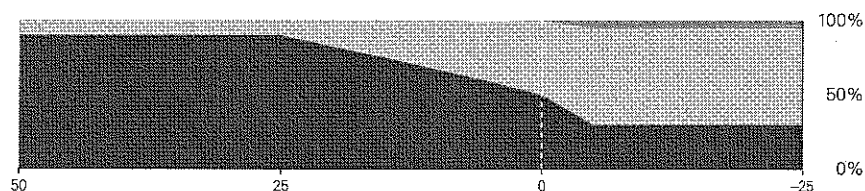
Underlying Vanguard Fund	Target Retirement Fund					
	2030	2035	2040	2045	2050	2055 ¹
Total Stock Market Index	65.5%	71.5%	71.8%	71.8%	71.8%	71.8%
European Stock Index	7.9	8.6	8.6	8.6	8.6	8.6
Pacific Stock Index	4.4	4.8	4.8	4.8	4.8	4.8
Emerging Markets Stock Index	4.2	4.7	4.7	4.7	4.7	4.7
Total Bond Market II Index	18.0	10.4	10.1	10.1	10.1	10.1
Client's Target Age	45	40	35	30	25	20

¹ Estimated allocation.

The Funds' advisor allocates each Fund's assets among the underlying funds based on its investment objective and policies. The asset allocation for each Fund (other than the Target Retirement Income Fund) will change over time as the date indicated in the Fund's name draws closer. Once a Fund's asset allocation is similar to that of the Target Retirement Income Fund, the Fund's board of trustees may approve combining the Fund with the Target Retirement Income Fund. The board will grant such approval if it determines the combination to be in the best interest of Fund shareholders. Once such a combination occurs, shareholders will own shares of the Target Retirement Income Fund. Shareholders will be notified prior to such a combination. We expect these combinations to occur within seven years after the year indicated in the Fund's name.

The following chart shows how we expect the asset allocations for the Funds to change over time. The actual asset allocations may differ from this chart.

An example of how fund asset allocations change over time




	50 Years Before Retirement	25 Years Before Retirement	At Retirement	25 Years After Retirement
Stocks	90%	90%	50%	30%
Fixed Income	10%	10%	50%	65%
Cash	0%	0%	0%	5%

The Funds' investments in the underlying funds may be affected by a variety of factors. For example, an underlying fund may stop accepting or may limit additional investments, forcing the Target Retirement Funds to invest in a different underlying fund.

Stocks

By owning shares of other Vanguard funds, each of the Target Retirement Funds indirectly invests, to varying degrees, in U.S. stocks, with an emphasis on large-cap stocks. To a lesser extent, the Funds also invest in funds that own foreign stocks.

 ***Each Fund is subject to stock market risk, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.***

To illustrate the volatility of stock prices, the following table shows the best, worst, and average annual total returns for the U.S. stock market over various periods as measured by the Standard & Poor's 500 Index, a widely used barometer of market activity. (Total returns consist of dividend income plus change in market price.) Note that the returns shown do not include the costs of buying and selling stocks or other expenses that a real-world investment portfolio would incur.

U.S. Stock Market Returns (1926–2009)

	1 Year	5 Years	10 Years	20 Years
Best	54.2%	28.6%	19.9%	17.8%
Worst	–43.1	–12.4	–1.4	3.1
Average	11.8	10.1	10.7	11.3

The table covers all of the 1-, 5-, 10-, and 20-year periods from 1926 through 2009. You can see, for example, that although the average return on common stocks for *all* of the 5-year periods was 10.1%, average returns for *individual* 5-year periods ranged from –12.4% (from 1928 through 1932) to 28.6% (from 1995 through 1999). These average returns reflect *past* performance of common stocks; you should not regard them as an indication of *future* performance of either the stock market as a whole or the Funds in particular.

Through investments in one underlying fund (the Total Stock Market Index Fund), each Fund indirectly holds a representative sample of the stocks that make up the MSCI US Broad Market Index, which measures the investment return of the overall stock market.

Keep in mind that a portion of the market value of the MSCI US Broad Market Index (approximately 22% as of September 30, 2009) is made up of securities not included in the S&P 500 Index. These securities are overwhelmingly mid- and small-cap stocks. Historically, mid- and small-cap stocks have been more volatile than—and at times have performed quite differently from—large-cap stocks. This volatility is due to several factors, including the fact that smaller companies often have fewer customers and financial resources than larger firms. These characteristics can make medium-size and small companies more sensitive to economic conditions, leading to less certain growth and dividend prospects.

As of September 30, 2009, the stocks in the underlying *domestic* equity fund had an asset-weighted median market capitalization exceeding \$28 billion. The stocks in the underlying *international* equity funds had an asset-weighted median market capitalization exceeding \$33 billion.

By owning shares of the Vanguard European, Pacific, and Emerging Markets Stock Index Funds, each Fund is subject to *country/regional risk* and *currency risk*. *Country/regional risk* is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of companies in a particular country or region. This could cause investments in those countries or regions to lose money. *Currency risk* is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates.


Bonds

By owning shares of Vanguard Total Bond Market II Index Fund, each Fund indirectly invests, to varying degrees, in government and corporate bonds, as well as in mortgage-backed securities. Through their investments in Vanguard Inflation-Protected Securities Fund, the Target Retirement Income, Target Retirement 2005, and Target Retirement 2010 Funds also invest in inflation-indexed bonds.

Plain Talk About Inflation-Indexed Securities

Unlike a conventional bond, whose issuer makes regular fixed interest payments and repays the face value of the bond at maturity, an inflation-indexed security (IIS) provides principal and interest payments that are adjusted over time to reflect a rise (inflation) or a drop (deflation) in the general price level for goods and services. This adjustment is a key feature, given that the Consumer Price Index (CPI) has risen in 49 of the past 50 years. (Source: Bureau of Labor Statistics.) Importantly, in the event of deflation, the U.S. Treasury has guaranteed that it will repay at least the face value of an IIS issued by the U.S. government.

Inflation measurement and adjustment for an IIS have two important features. There is a two-month lag between the time that inflation occurs in the economy and when it is factored into IIS valuations. This is due to the time required to measure and calculate the CPI and for the Treasury to adjust the inflation accrual schedules for an IIS. For example, inflation that occurs in January is calculated and announced during February and affects IIS valuations throughout the month of March. In addition, the inflation index used is the non-seasonally adjusted index. It differs from the CPI that is reported by most news organizations, which is statistically smoothed to overcome highs and lows observed at different points each year. The use of the non-seasonally adjusted index can cause the Fund's income level to fluctuate.

 ***Each Fund is subject to interest rate risk, which is the chance that bond prices overall will decline because of rising interest rates.***

Although bonds are often thought to be less risky than stocks, there have been periods when bond prices have fallen significantly because of rising interest rates.

Plain Talk About Bonds and Interest Rates

As a rule, when interest rates rise, bond prices fall. The opposite is also true: Bond prices go up when interest rates fall. Why do bond prices and interest rates move in opposite directions? Let's assume that you hold a bond offering a 5% yield. A year later, interest rates are on the rise and bonds of comparable quality and maturity are offered with a 6% yield. With higher-yielding bonds available, you would have trouble selling your 5% bond for the price you paid—you would probably have to lower your asking price. On the other hand, if interest rates were falling and 4% bonds were being offered, you should be able to sell your 5% bond for more than you paid.

How mortgage-backed securities are different: In general, declining interest rates will not lift the prices of mortgage-backed securities—such as GNMA—as much as the prices of comparable bonds. Why? Because when interest rates fall, the bond market tends to discount the prices of mortgage-backed securities for prepayment risk—the possibility that homeowners will refinance their mortgages at lower rates and cause the bonds to be paid off prior to maturity. In part to compensate for this prepayment possibility, mortgage-backed securities tend to offer higher yields than other bonds of comparable credit quality and maturity.

Plain Talk About Inflation-Indexed Securities and Interest Rates

Interest rates on conventional bonds have two primary components: a "real" yield and an increment that reflects investor expectations of future inflation. By contrast, interest rates on an IIS are adjusted for inflation and, therefore, aren't affected meaningfully by inflation expectations. This leaves only real rates to influence the price of an IIS. A rise in real rates will cause the price of an IIS to fall, while a decline in real rates will boost the price of an IIS.


Changes in interest rates can affect bond *income* as well as bond *prices*.




Each Fund is subject to income risk, which is the chance that an underlying fund's income will decline because of falling interest rates. A fund holding bonds will experience a decline in income when interest rates fall because the fund then must invest in lower-yielding bonds.

The Target Retirement Income, Target Retirement 2005, and Target Retirement 2010 Funds are also subject to income fluctuations through their investments in Vanguard Inflation-Protected Securities Fund. The Inflation-Protected Securities Fund's quarterly

income distributions are likely to fluctuate considerably more than income distributions of a typical bond fund because of changes in inflation.

 *Each Fund is subject to call risk, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. An underlying fund would then lose potential price appreciation and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the underlying fund's income. For mortgage-backed securities, this risk is known as prepayment risk.*

Because Vanguard Total Bond Market II Index Fund invests only a portion of its assets in callable bonds and mortgage-backed securities, call/prepayment risk for each Fund should be low to moderate.

 *Each Fund is subject to credit risk, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline, thus reducing the underlying fund's return.*

The credit quality of the bonds held by the underlying funds is expected to be very high, and thus credit risk for each Fund should be low.

To a limited extent, the Funds are also indirectly exposed to event risk, which is the chance that corporate fixed income securities held by the underlying funds will suffer a substantial decline in credit quality and market value because of a corporate restructuring.

Short-Term Investments


Through one underlying fund (the Prime Money Market Fund), a small percentage of the assets of the Target Retirement Income and Target Retirement 2005 Funds will be invested in money market instruments. Although designed as low-risk investments, these instruments, similar to bonds, are subject to income risk and credit risk.

Security Selection

Each Fund seeks to achieve its objective by investing in up to seven underlying Vanguard funds, which are briefly described in the following paragraphs.

- *Vanguard Total Stock Market Index Fund* seeks to track the performance of the MSCI® US Broad Market Index, which represents 99.5% or more of the total market capitalization of all the U.S. common stocks regularly traded on the New York Stock Exchange and the Nasdaq over-the-counter market. This fund invests in a representative sample of stocks that make up the index.

- *Vanguard European Stock Index Fund* seeks to track the performance of the MSCI Europe Index by investing in the common stocks included in the index. The MSCI Europe Index is made up of approximately 466 common stocks of companies located in 16 European countries. The index is most heavily weighted in the United Kingdom, France, Germany, and Switzerland.
- *Vanguard Pacific Stock Index Fund* seeks to track the performance of the MSCI Pacific Index by investing in the common stocks included in the index. The MSCI Pacific Index is made up of approximately 495 common stocks of companies located in Japan, Australia, Hong Kong, Singapore, and other Pacific countries. (As of September 30, 2009, Japan made up approximately 64% of the index's market capitalization.)
- *Vanguard Emerging Markets Stock Index Fund* seeks to track the performance of the MSCI Emerging Markets Index by investing in the common stocks included in the index. The MSCI Emerging Markets Index is made up of approximately 745 common stocks of companies located in emerging markets around the world. The index is most heavily weighted in China, Brazil, South Korea, and Taiwan.
- *Vanguard Total Bond Market II Index Fund* seeks to track the performance of the Barclays Capital U.S. Aggregate Bond Float-Adjusted Index by investing in a representative sample of bonds included in the index. The Barclays Capital U.S. Aggregate Bond Float-Adjusted Index represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities. The fund maintains a dollar-weighted average maturity consistent with that of the index, which currently ranges between 5 and 10 years. As of September 30, 2009, the dollar weighted average credit quality of the fund holdings, as rated by Moody's Investor Service was Aa1/Aa2.
- *Vanguard Inflation-Protected Securities Fund* seeks to provide inflation protection and income consistent with investment in inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. The fund's dollar-weighted average maturity is expected to range between 7 and 20 years. As of September 30, 2009, the dollar weighted average credit quality of the fund holdings, as rated by Moody's Investor Service was Aaa.
- *Vanguard Prime Money Market Fund* seeks to provide current income while maintaining liquidity and a stable share price of \$1 by investing in high-quality, short-term money market instruments, including certificates of deposit, banker's acceptances, commercial paper, and other money market securities. The fund's dollar weighted average maturity is expected to be 90 days or less. As of September 30, 2009, the dollar weighted average credit quality of the fund holdings, as rated by Moody's Investor Service was Aa1.

 *Each Target Retirement Fund is subject to asset allocation risk, which is the chance that the selection of underlying funds, and the allocation of assets to them, will cause the Fund to underperform other funds with a similar investment objective.*

The Funds are generally managed without regard to tax ramifications.

Other Investment Policies and Risks

Each underlying fund may invest, to a limited extent, in derivatives. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency), a physical asset (such as gold), or a market index (such as the S&P 500 Index). Investments in derivatives may subject the funds to risks different from, and possibly greater than, those of the underlying securities, assets, or market indexes. The funds will not use derivatives for speculation or for the purpose of leveraging (magnifying) investment returns.

Cash Management

Each Fund's daily cash balance may be invested in one or more Vanguard CMT Funds, which are very low-cost money market funds. When investing in a Vanguard CMT Fund, each Fund bears its proportionate share of the at-cost expenses of the CMT Fund in which it invests.

To put cash flow to work as soon as possible, and thereby capture as much of the market's return as possible, each Fund reserves the right to invest in shares of Vanguard Total Stock Market ETF, Vanguard European ETF, Vanguard Pacific ETF, Vanguard Emerging Markets ETF, and Vanguard Total Bond Market ETF (each provides returns similar to the returns of its corresponding market segment). The Funds' advisor may purchase ETF Shares when large cash inflows come into a Fund too late in the day to invest the cash, on a same-day basis, in shares of the underlying Vanguard funds that serve as the Fund's primary investments. These cash-flow situations will arise infrequently, and the period of holding the ETF Shares will be short—in most cases, one day. (Vanguard does not receive duplicate management fees when Fund assets are invested in ETF Shares.)

Frequent Trading or Market-Timing

Background. Some investors try to profit from strategies involving frequent trading of mutual fund shares, such as market-timing. For funds holding foreign securities, investors may try to take advantage of an anticipated difference between the price of the fund's shares and price movements in overseas markets, a practice also known as time-zone arbitrage. Investors also may try to engage in frequent trading of funds holding investments such as small-cap stocks and high-yield bonds. As money is shifted into and out of a fund by a shareholder engaging in frequent trading, a fund

incurs costs for buying and selling securities, resulting in increased brokerage and administrative costs. These costs are borne by *all* fund shareholders, including the long-term investors who do not generate the costs. In addition, frequent trading may interfere with an advisor's ability to efficiently manage the fund.

Policies to Address Frequent Trading. The Vanguard funds (other than money market funds and short-term bond funds) do not knowingly accommodate frequent trading. Vanguard ETF® Shares are not subject to these frequent-trading policies. The board of trustees of each Vanguard fund has adopted policies and procedures reasonably designed to detect and discourage frequent trading and, in some cases, to compensate the fund for the costs associated with it. Although there is no assurance that Vanguard will be able to detect or prevent frequent trading or market-timing in all circumstances, the following policies have been adopted to address these issues:

- Each Vanguard fund reserves the right to reject any purchase request—including exchanges from other Vanguard funds—without notice and regardless of size. For example, a purchase request could be rejected if Vanguard determines that such purchase may negatively affect a fund's operation or performance or because of a history of frequent trading by the investor.
- Each Vanguard fund (other than money market funds and short-term bond funds) generally prohibits, except as otherwise noted in the **Investing With Vanguard** section, an investor's purchases or exchanges into a fund account for 60 calendar days after the investor has redeemed or exchanged out of that fund account.
- Certain Vanguard funds charge shareholders purchase and/or redemption fees on transactions.

See the **Investing With Vanguard** section of this prospectus for further details on Vanguard's transaction policies.

Each fund (other than money market funds), in determining its net asset value, will, when appropriate, use fair-value pricing, as described in the **Share Price** section. Fair-value pricing may reduce or eliminate the profitability of certain frequent-trading strategies.

Do not invest with Vanguard if you are a market-timer.

Turnover Rate

Although each Fund normally seeks to invest for the long term, each Fund may sell shares of the underlying funds regardless of how long they have been held. The **Financial Highlights** section of the prospectus shows historical turnover rates for the Funds. A turnover rate of 100%, for example, would mean that a Fund had sold and replaced shares of underlying funds valued at 100% of its net assets within a one-year period.

The Funds and Vanguard

Each Fund is a member of The Vanguard Group, a family of 37 investment companies with more than 160 funds holding assets of approximately \$1.3 trillion. All of the funds that are members of The Vanguard Group (other than funds of funds) share in the expenses associated with administrative services and business operations, such as personnel, office space, equipment, and advertising. Vanguard also provides marketing services to the funds.

According to an agreement applicable to the Funds and Vanguard, the Funds' direct expenses will be offset by Vanguard for (1) the Funds' contributions to the costs of operating the underlying Vanguard funds in which the Target Retirement Funds invest, and (2) certain savings in administrative and marketing costs that Vanguard expects to derive from the Funds' operation.

The Funds' trustees believe that the offsets should be sufficient to cover most, if not all, of the direct expenses incurred by the Funds. As a result, each Fund is expected to operate at a very low or zero direct expense ratio. Since their inception, the Funds, in fact, have incurred no direct net expenses. Although the Target Retirement Funds are not expected to incur any net expenses directly, the Funds' shareholders indirectly bear the expenses of the underlying Vanguard funds.

Plain Talk About Vanguard's Unique Corporate Structure

The Vanguard Group is truly a *mutual* mutual fund company. It is owned jointly by the funds it oversees and thus indirectly by the shareholders in those funds. Most other mutual funds are operated by management companies that may be owned by one person, by a private group of individuals, or by public investors who own the management company's stock. The management fees charged by these companies include a profit component over and above the companies' cost of providing services. By contrast, Vanguard provides services to its member funds on an at-cost basis, with no profit component, which helps to keep the funds' expenses low.

Investment Advisor

The Vanguard Group, Inc. (Vanguard), P.O. Box 2600, Valley Forge, PA 19482, which began operations in 1975, serves as advisor to the Funds through its Quantitative Equity Group. Vanguard also serves as investment advisor for each of the underlying funds. As of June 30, 2010, Vanguard served as advisor for approximately \$1.1 trillion in assets.

For a discussion of why the board of trustees approved each Fund's investment advisory arrangement, see the most recent semiannual report to shareholders covering the fiscal period ended March 31.

Vanguard's Quantitative Equity Group is overseen by:

George U. Sauter, Chief Investment Officer and Managing Director of Vanguard. As Chief Investment Officer, he is responsible for the oversight of Vanguard's Quantitative Equity and Fixed Income Groups. The investments managed by these two groups include active quantitative equity funds, equity index funds, active bond funds, index bond funds, stable value portfolios, and money market funds. Since joining Vanguard in 1987, Mr. Sauter has been a key contributor to the development of Vanguard's stock indexing and active quantitative equity investment strategies. He received his A.B. in Economics from Dartmouth College and an M.B.A. in Finance from the University of Chicago.

Sandip A. Bhagat, CFA, Principal of Vanguard and head of Vanguard's Quantitative Equity Group. He has oversight responsibility for all active quantitative equity funds and all equity index funds managed by the Quantitative Equity Group. He has managed investment portfolios since 1987 and has been with Vanguard since 2009. He received his B.S. in Chemical Engineering from the University of Bombay, India, and an M.S. in Chemical Engineering and an M.B.A. from the University of Connecticut.

The manager primarily responsible for the day-to-day management of the Funds is:

Duane Kelly, Principal of Vanguard. He has been with Vanguard since 1989; has managed investment portfolios since 1992; and has managed the Funds since their inception. Education: B.S., LaSalle University.

The *Statement of Additional Information* provides information about the portfolio manager's compensation, other accounts under management, and ownership of shares of the Funds.

Dividends, Capital Gains, and Taxes

Fund Distributions

Each Fund distributes to shareholders virtually all of its net income as well as any net capital gains realized from the sale of its holdings or received as capital gains distributions from the underlying funds. Income dividends for the Target Retirement Income Fund generally are distributed quarterly in March, June, September, and December; income dividends for the other Target Retirement Funds generally are distributed annually in December. Capital gains distributions generally occur annually in December. You can receive distributions of income or capital gains in cash, or you can have them automatically reinvested in more shares of the Fund.

Basic Tax Points

Vanguard will send you a statement each year showing the tax status of all your distributions. In addition, investors in taxable accounts should be aware of the following basic federal income tax points:

- Distributions are taxable to you whether or not you reinvest these amounts in additional Fund shares.
- Distributions declared in December—if paid to you by the end of January—are taxable as if received in December.
- Any dividend and short-term capital gains distributions that you receive are taxable to you as ordinary income. If you are an individual and meet certain holding-period requirements with respect to your Fund shares, you may be eligible for reduced tax rates on “qualified dividend income,” if any, distributed by the Fund.
- Any distributions of net long-term capital gains are taxable to you as long-term capital gains, no matter how long you’ve owned shares in the Fund.
- Capital gains distributions may vary considerably from year to year as a result of the Funds’ normal investment activities and cash flows.
- A sale or exchange of Fund shares is a taxable event. This means that you may have a capital gain to report as income, or a capital loss to report as a deduction, when you complete your tax return.
- Any conversion between classes of shares of the *same* fund is a nontaxable event. By contrast, an exchange between classes of shares of *different* funds *is* a taxable event.

Dividend and capital gains distributions that you receive, as well as your gains or losses from any sale or exchange of Fund shares, may be subject to state and local income taxes.

This prospectus provides general tax information only. If you are investing through a tax-deferred retirement account, such as an IRA, special tax rules apply. Please consult your tax advisor for detailed information about any tax consequences for you.

Plain Talk About 'Buying a Dividend'

Unless you are investing through a tax-deferred retirement account (such as an IRA), you should consider avoiding a purchase of fund shares shortly before the fund makes a distribution, because doing so can cost you money in taxes. This is known as "buying a dividend." For example: On December 15, you invest \$5,000, buying 250 shares for \$20 each. If the fund pays a distribution of \$1 per share on December 16, its share price will drop to \$19 (not counting market change). You still have only \$5,000 (250 shares x \$19 = \$4,750 in share value, plus 250 shares x \$1 = \$250 in distributions), but you owe tax on the \$250 distribution you received—even if you reinvest it in more shares. To avoid "buying a dividend," check a fund's distribution schedule before you invest.

General Information

Backup withholding. By law, Vanguard must withhold 28% of any taxable distributions or redemptions from your account if you do not:

- Provide us with your correct taxpayer identification number;
- Certify that the taxpayer identification number is correct; and
- Confirm that you are not subject to backup withholding.

Similarly, Vanguard must withhold taxes from your account if the IRS instructs us to do so.

Foreign investors. Vanguard funds generally are not sold outside the United States, except to certain qualified investors. If you reside outside the United States, please consult our website at www.vanguard.com and review "Non-U.S. investors." Foreign investors should be aware that U.S. withholding and estate taxes may apply to any investments in Vanguard funds.

Invalid addresses. If a dividend or capital gains distribution check mailed to your address of record is returned as undeliverable, Vanguard will automatically reinvest all future distributions until you provide us with a valid mailing address.

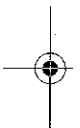
Share Price

Share price, also known as *net asset value* (NAV), is calculated each business day as of the close of regular trading on the New York Stock Exchange, generally 4 p.m., Eastern time. The NAV per share is computed by dividing the total assets, minus liabilities, of the Fund by the number of Fund shares outstanding. On holidays or other days when the Exchange is closed, the NAV is not calculated, and the Fund does not transact purchase or redemption requests.



Each Fund's NAV is calculated based upon the values of the underlying mutual funds in which the Fund invests. The values of the mutual fund shares held by a Fund are based on the NAVs of the shares. The values of any ETF shares held by a Fund are based on the market value of the shares. The prospectuses for the underlying funds explain the circumstances under which those funds will use fair-value pricing and the effects of doing so.

Vanguard fund share prices are published daily on our website at www.vanguard.com/prices.



Financial Highlights

The following financial highlights tables are intended to help you understand each Fund's financial performance for the periods shown, and certain information reflects financial results for a single Fund share. The total returns in each table represent the rate that an investor would have earned or lost each period on an investment in the Fund (assuming reinvestment of all distributions). The information for the six-month period ended March 31, 2010, has not been audited by an independent registered public accounting firm. The information for all periods in the table through September 30, 2009, has been derived from the financial statements audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, whose report—along with each Fund's financial statements—are included in the Funds' most recent annual report to shareholders. You may obtain a free copy of the latest annual or semiannual report online at www.vanguard.com or by contacting Vanguard by telephone or mail.

Plain Talk About How to Read the Financial Highlights Tables

This explanation uses the Target Retirement Income Fund as an example. The Fund began the fiscal period ended March 31, 2010, with a net asset value (price) of \$10.49 per share. During the period, the Fund earned \$0.171 per share from investment income, and \$0.304 per share from investments that had appreciated in value or were sold for higher prices than the Fund paid for them.

Shareholders received \$0.175 per share in the form of dividend distributions. A portion of each year's distributions may come from the prior year's income or capital gains.

The share price at the end of the period was \$10.79, reflecting earnings of \$0.475 per share and distributions of \$0.175 per share. This was an increase of \$0.30 per share (from \$10.49 at the beginning of the period to \$10.79 at the end of the period). For a shareholder who reinvested the distributions in the purchase of more shares, the total return was 4.55% for the period.

As of March 31, 2010, the Fund had approximately \$3 billion in net assets. For the period, its annualized net investment income amounted to 3.13% of its average net assets. The Fund sold and replaced securities valued at 8% of its net assets.

Target Retirement Income Fund

	Six Months Ended Mar. 31, 2010	2009	2008	2007	2006	2005
Net Asset Value, Beginning of Period	\$10.49	\$10.19	\$11.08	\$10.52	\$10.52	\$10.31
Investment Operations						
Net Investment Income	.171	.268	.427	.430 ¹	.439 ¹	.399 ¹
Capital Gain Distributions Received	—	—	—	—	.003 ¹	.022 ¹
Net Realized and Unrealized Gain (Loss) on Investments	.304	.302	(.878)	.540	.003	.163
Total from Investment Operations	.475	.570	(.451)	.970	.445	.584
Distributions						
Dividends from Net Investment Income	(.175)	(.270)	(.439)	(.410)	(.430)	(.370)
Distributions from Realized Capital Gains	—	—	—	—	(.015)	(.004)
Total Distributions	(.175)	(.270)	(.439)	(.410)	(.445)	(.374)
Net Asset Value, End of Period	\$10.79	\$10.49	\$10.19	\$11.08	\$10.52	\$10.52
Total Return²	4.55%	5.84%	-4.23%	9.36%	4.36%	5.73%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$3,091	\$2,463	\$2,046	\$1,336	\$822	\$677
Ratio of Total Expenses to Average Net Assets	0% ³	0%	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	3.13% ⁴	2.78%	4.11%	4.03%	4.21%	3.80%
Turnover Rate	8% ⁴	29% ⁵	14%	3%	22%	0%

1 Calculated based on average shares outstanding.

2 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

3 The Acquired Fund fees and expenses were 0.17% (annualized).

4 Annualized.

5 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2005 Fund

	Six Months Ended Mar. 31, 2010	2009	2008	2007	2006	2005
Net Asset Value, Beginning of Period	\$10.98	\$10.99	\$12.31	\$11.38	\$11.14	\$10.65
Investment Operations						
Net Investment Income	.171	.303	.439 ¹	.420 ¹	.408 ¹	.388 ¹
Capital Gain Distributions Received	—	—	—	—	.002 ¹	.015 ¹
Net Realized and Unrealized Gain (Loss) on Investments	.406	.114	(1.379)	.870	.149	.331
Total from Investment Operations	.577	.417	(.940)	1.290	.559	.734
Distributions						
Dividends from Net Investment Income	(.277)	(.427)	(.380)	(.360)	(.310)	(.240)
Distributions from Realized Capital Gains	—	—	—	—	(.009)	(.004)
Total Distributions	(.277)	(.427)	(.380)	(.360)	(.319)	(.244)
Net Asset Value, End of Period	\$11.28	\$10.98	\$10.99	\$12.31	\$11.38	\$11.14
Total Return²	5.31%	4.33%	-7.89%	11.56%	5.13%	6.96%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$2,089	\$1,815	\$1,767	\$1,473	\$957	\$651
Ratio of Total Expenses to Average Net Assets	0% ³	0%	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	3.07% ⁴	2.95%	3.71%	3.56%	3.68%	3.57%
Turnover Rate	14% ⁴	44% ⁵	21%	6%	19%	4%

1 Calculated based on average shares outstanding.

2 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

3 The Acquired Fund fees and expenses were 0.17% (annualized).

4 Annualized.

5 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2010 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,			June 7, 2006 ¹ to Sept. 30, 2006
		2009	2008	2007	
Net Asset Value, Beginning of Period	\$20.39	\$20.47	\$23.54	\$21.01	\$20.00
Investment Operations					
Net Investment Income	.302	.553	.744 ²	.730 ²	.230 ²
Capital Gain Distributions Received	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	1.013	.046	(3.354)	1.980	.780
Total from Investment Operations	1.315	.599	(2.610)	2.710	1.010
Distributions					
Dividends from Net Investment Income	(.495)	(.679)	(.460)	(.180)	—
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.495)	(.679)	(.460)	(.180)	—
Net Asset Value, End of Period	\$21.21	\$20.39	\$20.47	\$23.54	\$21.01
Total Return ³	6.52%	3.47%	-11.30%	12.96%	5.05%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$3,844	\$3,065	\$2,567	\$1,297	\$75
Ratio of Total Expenses to Average Net Assets	0% ⁴	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.94% ⁵	3.15%	3.34%	3.26%	2.89% ⁵
Turnover Rate	10% ⁵	41% ⁵	18%	4%	4%

1 Inception.

2 Calculated based on average shares outstanding.

3 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

4 The Acquired Fund fees and expenses were 0.17% (annualized).

5 Annualized.

6 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2015 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,				
	2009	2008	2007	2006	2005	
Net Asset Value, Beginning of Period	\$11.21	\$11.34	\$13.49	\$12.10	\$11.54	\$10.74
Investment Operations						
Net Investment Income	.164	.307	.380 ¹	.380 ¹	.356 ¹	.346 ¹
Capital Gain Distributions Received	—	—	—	—	—	.004 ¹
Net Realized and Unrealized Gain (Loss) on Investments	.642	(.072)	(2.190)	1.320	.466	.652
Total from Investment Operations	.806	.235	(1.810)	1.700	.822	1.002
Distributions						
Dividends from Net Investment Income	(.276)	(.365)	(.340)	(.310)	(.260)	(.200)
Distributions from Realized Capital Gains	—	—	—	—	(.002)	(.002)
Total Distributions	(.276)	(.365)	(.340)	(.310)	(.262)	(.202)
Net Asset Value, End of Period	\$11.74	\$11.21	\$11.34	\$13.49	\$12.10	\$11.54
Total Return²	7.27%	2.66%	-13.75%	14.25%	7.25%	9.40%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$11,485	\$9,507	\$7,804	\$6,619	\$3,720	\$1,804
Ratio of Total Expenses to Average Net Assets	0% ³	0%	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.72% ⁴	3.31%	3.02%	2.93%	3.04%	3.11%
Turnover Rate	10% ⁴	37% ⁵	24%	5%	15%	1%

1 Calculated based on average shares outstanding.

2 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

3 The Acquired Fund fees and expenses were 0.17% (annualized).

4 Annualized.

5 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2020 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,			June 7, 2006 ¹ to Sept. 30, 2006
		2009	2008	2007	
Net Asset Value, Beginning of Period	\$19.66	\$20.03	\$24.15	\$21.14	\$20.00
Investment Operations					
Net Investment Income	.270	.539 ²	.619 ²	.600 ²	.190 ²
Capital Gain Distributions Received	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	1.280	(.360)	(4.329)	2.600	.950
Total from Investment Operations	1.550	.179	(3.710)	3.200	1.140
Distributions					
Dividends from Net Investment Income	(.440)	(.549)	(.410)	(.190)	—
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.440)	(.549)	(.410)	(.190)	—
Net Asset Value, End of Period	\$20.77	\$19.66	\$20.03	\$24.15	\$21.14
Total Return³	7.96%	1.44%	-15.61%	15.21%	5.70%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$7,610	\$5,706	\$3,859	\$1,719	\$117
Ratio of Total Expenses to Average Net Assets	0% ⁴	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.63% ⁵	3.19%	2.79%	2.61%	2.24% ⁵
Turnover Rate	7% ⁵	27% ⁵	15%	4%	2%

1 Inception.

2 Calculated based on average shares outstanding.

3 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

4 The Acquired Fund fees and expenses were 0.18% (annualized).

5 Annualized.

6 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2025 Fund

	Six Months Ended Mar. 31, 2010	2009	2008	2007	2006	2005
Net Asset Value, Beginning of Period	\$11.11	\$11.49	\$14.26	\$12.51	\$11.80	\$10.82
Investment Operations						
Net Investment Income	.158	.279	.307	.300	.321 ¹	.320 ¹
Capital Gain Distributions Received	—	—	—	—	—	.003 ¹
Net Realized and Unrealized Gain (Loss) on Investments	.794	(.336)	(2.767)	1.740	.630	.839
Total from Investment Operations	.952	(.057)	(2.460)	2.040	.951	1.162
Distributions						
Dividends from Net Investment Income	(.252)	(.323)	(.310)	(.290)	(.240)	(.180)
Distributions from Realized Capital Gains	—	—	—	—	(.001)	(.002)
Total Distributions	(.252)	(.323)	(.310)	(.290)	(.241)	(.182)
Net Asset Value, End of Period	\$11.81	\$11.11	\$11.49	\$14.26	\$12.51	\$11.80
Total Return²	8.65%	0.10%	-17.61%	16.51%	8.18%	10.80%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$12,300	\$9,932	\$7,769	\$6,721	\$3,957	\$1,968
Ratio of Total Expenses to Average Net Assets	0% ³	0%	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.52% ⁴	3.09%	2.59%	2.43%	2.66%	2.84%
Turnover Rate	6% ⁴	21% ⁵	17%	4%	22%	2%

1 Calculated based on average shares outstanding.

2 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

3 The Acquired Fund fees and expenses were 0.18% (annualized).

4 Annualized.

5 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2030 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,			June 7, 2006 ¹ to Sept. 30, 2006
		2009	2008	2007	
Net Asset Value, Beginning of Period	\$18.84	\$19.63	\$24.74	\$21.25	\$20.00
Investment Operations					
Net Investment Income	.254	.466 ²	.522 ²	.490 ²	.170 ²
Capital Gain Distributions Received	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	1.482	(.793)	(5.262)	3.190	1.080
Total from Investment Operations	1.736	(.327)	(4.740)	3.680	1.250
Distributions					
Dividends from Net Investment Income	(.386)	(.463)	(.370)	(.190)	—
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.386)	(.463)	(.370)	(.190)	—
Net Asset Value, End of Period	\$20.19	\$18.84	\$19.63	\$24.74	\$21.25
Total Return³	9.29%	-1.13%	-19.43%	17.40%	6.25%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$5,521	\$4,003	\$2,359	\$1,103	\$69
Ratio of Total Expenses to Average Net Assets	0% ⁴	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.44% ⁵	2.92%	2.35%	2.10%	1.81% ⁵
Turnover Rate	6% ⁵	13% ⁶	6%	4%	13%

1 Inception.

2 Calculated based on average shares outstanding.

3 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

4 The Acquired Fund fees and expenses were 0.19% (annualized).

5 Annualized.

6 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2035 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,				
	2009	2008	2007	2006	2005	
Net Asset Value, Beginning of Period	\$11.31	\$11.90	\$15.25	\$13.18	\$12.22	\$10.92
Investment Operations						
Net Investment Income	.157	.273 ¹	.293	.270	.280 ¹	.270 ¹
Capital Gain Distributions Received	—	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	.951	(.564)	(3.353)	2.060	.890	1.200
Total from Investment Operations	1.108	(.291)	(3.060)	2.330	1.170	1.470
Distributions						
Dividends from Net Investment Income	(.238)	(.299)	(.290)	(.260)	(.210)	(.170)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.238)	(.299)	(.290)	(.260)	(.210)	(.170)
Net Asset Value, End of Period	\$12.18	\$11.31	\$11.90	\$15.25	\$13.18	\$12.22
Total Return²	9.88%	-1.85%	-20.42%	17.87%	9.70%	13.53%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$8,495	\$6,780	\$5,030	\$4,553	\$2,562	\$1,092
Ratio of Total Expenses to Average Net Assets	0% ³	0%	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.33% ⁴	2.88%	2.28%	2.09%	2.21%	2.33%
Turnover Rate	2% ⁴	9% ⁵	10%	1%	14%	0%

1 Calculated based on average shares outstanding.

2 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

3 The Acquired Fund fees and expenses were 0.20% (annualized).

4 Annualized.

5 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2040 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,			June 7, 2006 ¹ to Sept. 30, 2006
		2009	2008	2007	
Net Asset Value, Beginning of Period	\$18.52	\$19.36	\$24.70	\$21.13	\$20.00
Investment Operations					
Net Investment Income	.246	.435 ²	.494 ²	.460 ²	.160 ²
Capital Gain Distributions Received	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	1.552	(.849)	(5.464)	3.290	.970
Total from Investment Operations	1.798	(.414)	(4.970)	3.750	1.130
Distributions					
Dividends from Net Investment Income	(.368)	(.426)	(.370)	(.180)	—
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.368)	(.426)	(.370)	(.180)	—
Net Asset Value, End of Period	\$19.95	\$18.52	\$19.36	\$24.70	\$21.13
Total Return³	9.79%	-1.61%	-20.40%	17.83%	5.65%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$3,297	\$2,330	\$1,199	\$513	\$32
Ratio of Total Expenses to Average Net Assets	0% ⁴	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.35% ⁵	2.78%	2.24%	1.99%	1.72% ⁵
Turnover Rate	4% ⁵	9% ⁵	4%	4%	0%

1 Inception.

2 Calculated based on average shares outstanding.

3 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

4 The Acquired Fund fees and expenses were 0.20% (annualized).

5 Annualized.

6 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2045 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,				
	2009	2008	2007	2006	2005	
Net Asset Value, Beginning of Period	\$11.70	\$12.29	\$15.75	\$13.60	\$12.47	\$10.98
Investment Operations						
Net Investment Income	.162	.281 ¹	.303	.280	.270 ¹	.240 ¹
Capital Gain Distributions Received	—	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	.984	(.570)	(3.463)	2.130	1.050	1.410
Total from Investment Operations	1.146	(.289)	(3.160)	2.410	1.320	1.650
Distributions						
Dividends from Net Investment Income	(.246)	(.301)	(.300)	(.250)	(.190)	(.160)
Distributions from Realized Capital Gains	—	—	—	(.010)	—	—
Total Distributions	(.246)	(.301)	(.300)	(.260)	(.190)	(.160)
Net Asset Value, End of Period	\$12.60	\$11.70	\$12.29	\$15.75	\$13.60	\$12.47
Total Return²	9.88%	-1.77%	-20.42%	17.90%	10.70%	15.09%
Ratios/Supplemental Data						
Net Assets, End of Period (Millions)	\$4,502	\$3,560	\$2,493	\$2,204	\$1,186	\$492
Ratio of Total Expenses to Average Net Assets	0% ³	0%	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.34% ⁴	2.86%	2.28%	2.08%	2.03%	2.07%
Turnover Rate	2% ⁴	10% ⁵	9%	1%	3%	7%

1 Calculated based on average shares outstanding.

2 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

3 The Acquired Fund fees and expenses were 0.20% (annualized).

4 Annualized.

5 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Target Retirement 2050 Fund

	Six Months Ended Mar. 31, 2010	Year Ended September 30,			June 7, 2006 ¹ to Sept. 30, 2006
		2009	2008	2007	
Net Asset Value, Beginning of Period	\$18.58	\$19.43	\$24.79	\$21.24	\$20.00
Investment Operations					
Net Investment Income	.250	.431 ²	.503 ²	.480 ²	.170 ²
Capital Gain Distributions Received	—	—	—	—	—
Net Realized and Unrealized Gain (Loss) on Investments	1.561	(.866)	(5.493)	3.290	1.070
Total from Investment Operations	1.811	(.435)	(4.990)	3.770	1.240
Distributions					
Dividends from Net Investment Income	(.371)	(.415)	(.370)	(.220)	—
Distributions from Realized Capital Gains	—	—	—	—	—
Total Distributions	(.371)	(.415)	(.370)	(.220)	—
Net Asset Value, End of Period	\$20.02	\$18.58	\$19.43	\$24.79	\$21.24
Total Return³	9.83%	-1.73%	-20.41%	17.85%	6.20%
Ratios/Supplemental Data					
Net Assets, End of Period (Millions)	\$1,321	\$924	\$409	\$192	\$12
Ratio of Total Expenses to Average Net Assets	0% ⁴	0%	0%	0%	0%
Ratio of Net Investment Income to Average Net Assets	2.35% ⁵	2.74%	2.27%	2.04%	1.88% ⁶
Turnover Rate	3% ⁵	8% ⁶	4%	2%	0%

1 Inception.

2 Calculated based on average shares outstanding.

3 Total returns do not include the account service fee that may be applicable to certain accounts with balances below \$10,000.

4 The Acquired Fund fees and expenses were 0.20% (annualized).

5 Annualized.

6 Excludes the value of mutual fund shares delivered and received in connection with a change in the Fund's bond investments from Vanguard Total Bond Market Index Fund to Vanguard Total Bond Market II Index Fund because those transactions were effected in kind and did not cause the Fund to incur transaction costs.

Investing With Vanguard

This section of the prospectus explains the basics of doing business with Vanguard. Be sure to carefully read each topic that pertains to your relationship with Vanguard. Vanguard reserves the right to change the following policies, without notice to shareholders. Please call or check online for current information.

Each fund you hold in an account is a separate "fund account." For example, if you hold three funds in a nonretirement account titled in your own name, two funds in a nonretirement account titled jointly with your spouse, and one fund in an individual retirement account, you have six fund accounts—and this is true even if you hold the same fund in multiple accounts.

Purchasing Shares

Vanguard reserves the right, without notice, to increase or decrease the minimum amount required to open or maintain a fund account, or to add to an existing fund account.

Investment minimums may differ for certain categories of investors.

Account Minimums

To open and maintain an account. \$3,000.

Add to an existing account. \$100 by check, exchange, wire, or electronic bank transfer (other than Automatic Investment Plan, which has no established minimum).

How to Initiate a Purchase Request

Be sure to check *Exchanging Shares*, *Frequent-Trading Limits*, and *Other Rules You Should Know* before placing your purchase request.

Online. You may open certain types of accounts, request a purchase of shares, and request an exchange (the purchase of shares of one Vanguard fund using the proceeds of a simultaneous redemption of shares of another Vanguard fund) through our website at www.vanguard.com if you are a registered user.

By telephone. You may call Vanguard to begin the account registration process or request that the account-opening forms be sent to you. You may also call Vanguard to request a purchase of shares. See *Contacting Vanguard*.

By mail. You may send Vanguard your account registration form and check to open a new fund account. To add to an existing fund account, you may send your check with an Invest-by-Mail form (from your account statement), with a deposit slip (available online), or with a written request. You may also send a written request to Vanguard to make an exchange. For a list of Vanguard addresses, see *Contacting Vanguard*.

How to Pay for a Purchase

By electronic bank transfer. You may purchase shares of a Vanguard fund through an electronic transfer of money from a bank account. To establish the electronic bank transfer option on an account, you must designate the bank account online, complete a special form, or fill out the appropriate section of your account registration form. After the option is set up on your account, you can purchase shares by electronic bank transfer on a regular schedule (Automatic Investment Plan) or from time to time. Your purchase request can be initiated online (if you are a registered user of *Vanguard.com*), by telephone, or by mail.

By wire. Wiring instructions vary for different types of purchases. Please call Vanguard for instructions and policies on purchasing shares by wire. See *Contacting Vanguard*.

By check. You may send a check to make initial or additional purchases to your fund account. Also see *How to Initiate a Purchase Request: By mail*. Make your check payable to Vanguard and include the appropriate fund number (e.g., Vanguard—xx). For a list of Fund numbers (for Funds in this prospectus), see *Additional Information*.

By exchange. You may purchase shares of a Vanguard fund using the proceeds from the simultaneous redemption of shares of another Vanguard fund. You may initiate an exchange online (if you are a registered user of *Vanguard.com*), by telephone, or by mail. See *Exchanging Shares*.

Trade Date

The trade date for any purchase request received in good order will depend on the day and time Vanguard receives your request, the manner in which you are paying, and the type of fund you are purchasing. Your purchase will be executed using the NAV as calculated on the trade date. NAVs are calculated only on days that the New York Stock Exchange (NYSE) is open for trading (a business day).

For purchases by **check** into all funds other than money market funds, and for purchases by **exchange** or **wire** into all funds: If the purchase request is received by Vanguard on a business day before the close of regular trading on the NYSE (generally 4 p.m., Eastern time), the trade date will be the same day. If the purchase request is received on a business day after the close of regular trading on the NYSE, or on a nonbusiness day, the trade date will be the next business day.

For purchases by **check** into money market funds: If the purchase request is received by Vanguard on a business day before the close of regular trading on the NYSE (generally 4 p.m., Eastern time), the trade date will be the next business day. If the purchase request is received on a business day after the close of regular trading on the NYSE, or on a nonbusiness day, the trade date will be the second business day following the day Vanguard receives the purchase request. Because money market instruments must be purchased with federal funds and it takes a money market

mutual fund one business day to convert check proceeds into federal funds, the trade date will be one business day later than for other funds.

For purchases by electronic bank transfer using an **Automatic Investment Plan**: Your trade date generally will be one business day before the date you designated for withdrawal from your bank account.

For purchases by **electronic bank transfer** not using an Automatic Investment Plan: If the purchase request is received by Vanguard on a business day before 10 p.m., Eastern time, the trade date generally will be the next business day. If the purchase request is received on a business day after 10 p.m., Eastern time, or on a nonbusiness day, the trade date will be the second business day following the day Vanguard receives the request.

If your purchase request is not accurate and complete, it may be rejected. See *Other Rules You Should Know—Good Order*.

For further information about purchase transactions, consult our website at www.vanguard.com or see *Contacting Vanguard*.

Other Purchase Rules You Should Know

Check purchases. All purchase checks must be written in U.S. dollars and must be drawn on a U.S. bank. Vanguard does not accept cash, traveler's checks, or money orders. In addition, Vanguard may refuse "starter checks" and checks that are not made payable to Vanguard.

New accounts. We are required by law to obtain from you certain personal information that we will use to verify your identity. If you do not provide the information, we may not be able to open your account. If we are unable to verify your identity, Vanguard reserves the right, without notice, to close your account or take such other steps as we deem reasonable.

Refused or rejected purchase requests. Vanguard reserves the right to stop selling fund shares or to reject any purchase request at any time and without notice, including, but not limited to, purchases requested by exchange from another Vanguard fund. This also includes the right to reject any purchase request because of a history of frequent trading by the investor or because the purchase may negatively affect a fund's operation or performance.

Large purchases. Please call Vanguard before attempting to invest a large dollar amount.

No cancellations. Vanguard will not accept your request to cancel any purchase request once processing has begun. Please be careful when placing a purchase request.

Redeeming Shares

How to Initiate a Redemption Request

Be sure to check *Exchanging Shares*, *Frequent-Trading Limits*, and *Other Rules You Should Know* before placing your redemption request.

Online. You may request a redemption of shares and request an exchange (using the proceeds from the redemption of shares of one Vanguard fund to simultaneously purchase shares of a different Vanguard fund) through our website at www.vanguard.com if you are a registered user.

By telephone. You may call Vanguard to request a redemption of shares. See *Contacting Vanguard*.

By mail. You may send a written request to Vanguard to redeem from a fund account or to make an exchange. See *Contacting Vanguard*.

How to Receive Redemption Proceeds

By electronic bank transfer. You may have the proceeds of a fund redemption sent directly to a designated bank account. To establish the electronic bank transfer option on an account, you must designate a bank account online, complete a special form, or fill out the appropriate section of your account registration form. After the option is set up on your account, you can redeem shares by electronic bank transfer on a regular schedule (Automatic Withdrawal Plan) or from time to time. Your redemption request can be initiated online, by telephone, or by mail.

By wire. When redeeming from a money market fund or a bond fund, you may instruct Vanguard to wire your redemption proceeds (\$1,000 minimum) to a previously designated bank account. Wire redemptions generally are not available for Vanguard's balanced or stock funds. The wire redemption option is *not automatic*; you must designate a bank account online, complete a special form, or fill out the appropriate section of your account registration form.

By exchange. You may have the proceeds of a Vanguard fund redemption invested directly in shares of another Vanguard fund. You may initiate an exchange online (if you are a registered user of *Vanguard.com*), by telephone, or by mail.

By check. If you have not chosen another redemption method, Vanguard will mail you a redemption check, generally payable to all registered account owners, normally within two business days of your trade date.

Trade Date

The trade date for any redemption request received in good order will depend on the day and time Vanguard receives your request and the manner in which you are

redeeming. Your redemption will be executed using the NAV as calculated on the trade date. NAVs are calculated only on days that the NYSE is open for trading (a business day).

For redemptions by **check, exchange, or wire**: If the redemption request is received by Vanguard on a business day before the close of regular trading on the NYSE (generally 4 p.m., Eastern time), the trade date will be the same day. If the redemption request is received on a business day after the close of regular trading on the NYSE, or on a nonbusiness day, the trade date will be the next business day.

- Note on timing of wire redemptions from money market funds: For telephone requests received by Vanguard on a business day before 10:45 a.m., Eastern time (2 p.m., Eastern time, for Vanguard Prime Money Market Fund), the redemption proceeds generally will leave Vanguard by the close of business the same day. For telephone requests received by Vanguard on a business day after those cut-off times, or on a nonbusiness day, and for all requests other than by telephone, the redemption proceeds generally will leave Vanguard by the close of business on the next business day.
- Note on timing of wire redemptions from bond funds: For requests received by Vanguard on a business day before the close of regular trading on the NYSE (generally 4 p.m., Eastern time), the redemption proceeds generally will leave Vanguard by the close of business on the next business day. For requests received by Vanguard on a business day after the close of regular trading on the NYSE, or on a nonbusiness day, the redemption proceeds generally will leave Vanguard by the close of business on the second business day after Vanguard receives the request.

For redemptions by electronic bank transfer using an **Automatic Withdrawal Plan**: Your trade date generally will be the date you designated for withdrawal of funds (redemption of shares) from your Vanguard account. Proceeds of redeemed shares generally will be credited to your designated bank account two business days after your trade date. If the date you designated for withdrawal of funds from your Vanguard account falls on a weekend, holiday, or other nonbusiness day, your trade date will be the previous business day.

For redemptions by **electronic bank transfer** not using an Automatic Withdrawal Plan: If the redemption request is received by Vanguard on a business day before the close of regular trading on the NYSE (generally 4 p.m., Eastern time), the trade date will be the same day. If the redemption request is received on a business day after the close of regular trading on the NYSE, or on a nonbusiness day, the trade date will be the next business day.

If your redemption request is not accurate and complete, it may be rejected. If we are unable to send your redemption proceeds by wire or electronic bank transfer because the receiving institution rejects the transfer, Vanguard will make additional efforts to

complete your transaction. If Vanguard is still unable to complete the transaction, we may use your proceeds to purchase new shares of the Fund from which you sold shares for the purpose of the wire or electronic bank transfer transaction. See *Other Rules You Should Know—Good Order*.

For further information about redemption transactions, consult our website at www.vanguard.com or see *Contacting Vanguard*.

Other Redemption Rules You Should Know

Documentation for certain accounts. Special documentation may be required to redeem from certain types of accounts, such as trust, corporate, nonprofit, or retirement accounts. Please call us *before* attempting to redeem from these types of accounts.

Potentially disruptive redemptions. Vanguard reserves the right to pay all or part of a redemption in kind—that is, in the form of securities—if we reasonably believe that a cash redemption would negatively affect the fund's operation or performance or that the shareholder may be engaged in market-timing or frequent trading. Under these circumstances, Vanguard also reserves the right to delay payment of the redemption proceeds for up to seven calendar days. By calling us *before* you attempt to redeem a large dollar amount, you may avoid in-kind or delayed payment of your redemption. Please see *Frequent-Trading Limits* for information about Vanguard's policies to limit frequent trading.

Recently purchased shares. Although you can redeem shares at any time, proceeds may not be made available to you until the fund collects payment for your purchase. This may take up to ten calendar days for shares purchased by check or by electronic bank transfer. If you have written a check on a fund with checkwriting privileges, that check may be rejected if your fund account does not have a sufficient available balance.

Address change. If you change your address online or by telephone, there may be a 15-day restriction on your ability to request redemptions online and by telephone. You can request a redemption in writing at any time. Confirmations of address changes are sent to both the old and new addresses.

Payment to a different person or address. At your request, we can make your redemption check payable to a different person or send it to a different address. However, this generally requires the written consent of all registered account owners and may require a signature guarantee. You may obtain a signature guarantee from some commercial or savings banks, credit unions, trust companies, or member firms of a U.S. stock exchange. A notary public cannot provide a signature guarantee.

No cancellations. Vanguard will not accept your request to cancel any redemption request once processing has begun. Please be careful when placing a redemption request.

Emergency circumstances. Vanguard funds can postpone payment of redemption proceeds for up to seven calendar days. In addition, Vanguard funds can suspend redemptions and/or postpone payments of redemption proceeds beyond seven calendar days at times when the NYSE is closed or during emergency circumstances, as determined by the SEC.

Exchanging Shares

An exchange occurs when you use the proceeds from the redemption of shares of one Vanguard fund to simultaneously purchase shares of a different Vanguard fund. You can make exchange requests online (if you are a registered user of *Vanguard.com*), by telephone, or by mail. See *Purchasing Shares* and *Redeeming Shares*.

If the NYSE is open for regular trading (generally until 4 p.m., Eastern time, on a business day) at the time an exchange request is received in good order, the trade date generally will be the same day. See *Other Rules You Should Know—Good Order* for additional information on all transaction requests.

Vanguard will not accept your request to cancel any exchange request once processing has begun. Please be careful when placing an exchange request.

Please note that Vanguard reserves the right, without notice, to revise or terminate the exchange privilege, limit the amount of any exchange, or reject an exchange, at any time, for any reason.

Frequent-Trading Limits

Because excessive transactions can disrupt management of a fund and increase the fund's costs for all shareholders, the board of trustees of each Vanguard fund places certain limits on frequent trading in the funds. Each Vanguard fund (other than money market funds and short-term bond funds) limits an investor's purchases or exchanges into a fund account for 60 calendar days after the investor has redeemed or exchanged out of that fund account. ETF Shares are not subject to these frequent-trading limits. The broker through which you hold your ETF Shares, however, may place certain limits on your ability to purchase and/or sell ETF Shares over any given period.

For Vanguard Retirement Investment Program pooled plans, the policy applies to exchanges made online or by phone.

The frequent-trading policy *does not* apply to the following:

- Purchases of shares with reinvested dividend or capital gains distributions.
- Transactions through Vanguard's Automatic Investment Plan, Automatic Exchange Service, Direct Deposit Service, Automatic Withdrawal Plan, Required Minimum Distribution Service, and Vanguard Small Business Online®.

- Redemptions of shares to pay fund or account fees.
- Transaction requests submitted by mail to Vanguard from shareholders who hold their accounts directly with Vanguard. (Transaction requests submitted by fax, if otherwise permitted, are not mail transactions and *are* subject to the policy.)
- Transfers and reregistrations of shares within the same fund.
- Purchases of shares by asset transfer or direct rollover.
- Conversions of shares from one share class to another in the same fund.
- Checkwriting redemptions.
- Section 529 college savings plans.
- Certain approved institutional portfolios and asset allocation programs, as well as trades made by Vanguard funds that invest in other Vanguard funds. (Please note that *shareholders* of Vanguard's funds of funds *are* subject to the policy.)

For participants in employer-sponsored defined contribution plans,* the frequent-trading policy *does not* apply to:

- Purchases of shares with participant payroll or employer contributions or loan repayments.
- Purchases of shares with reinvested dividend or capital gains distributions.
- Distributions, loans, and in-service withdrawals from a plan.
- Redemptions of shares as part of a plan termination or at the direction of the plan.
- Automated transactions executed during the first six months of a participant's enrollment in the Vanguard Managed Account Program.
- Redemptions of shares to pay fund or account fees.
- Share or asset transfers or rollovers.
- Reregistrations of shares.
- Conversions of shares from one share class to another in the same fund.
- Exchange requests submitted by mail to Vanguard. (Exchange requests submitted by fax, if otherwise permitted, are not mail requests and *are* subject to the policy.)

* The following Vanguard fund accounts are subject to the frequent-trading policy: SEP-IRAs, SIMPLE IRAs, certain Section 403(b)(7) accounts, and Vanguard Retirement Plans for which Vanguard Fiduciary Trust Company serves as trustee.

Accounts Held by Institutions (Other Than Defined Contribution Plans)

Vanguard will systematically monitor for frequent trading in institutional clients' accounts. If we detect suspicious trading activity, we will investigate and take appropriate action, which may include applying to a client's accounts the 60-day policy

previously described, prohibiting a client's purchases of fund shares, and/or revoking the client's exchange privilege.

Accounts Held by Intermediaries

When intermediaries establish accounts in Vanguard funds for the benefit of their clients, we cannot always monitor the trading activity of the individual clients. However, we review trading activity at the intermediary (omnibus) level, and if we detect suspicious activity, we will investigate and take appropriate action. If necessary, Vanguard may prohibit additional purchases of fund shares by an intermediary, including for the benefit of certain of the intermediary's clients. Intermediaries also may monitor their clients' trading activities with respect to Vanguard funds.

For those Vanguard funds that charge purchase or redemption fees, intermediaries will be asked to assess purchase and redemption fees on client accounts and remit these fees to the funds. The application of purchase and redemption fees and frequent-trading policies may vary among intermediaries. There are no assurances that Vanguard will successfully identify all intermediaries or that intermediaries will properly assess purchase and redemption fees or administer frequent-trading policies. If you invest with Vanguard through an intermediary, please read that firm's materials carefully to learn of any other rules or fees that may apply.

Other Rules You Should Know

Prospectus and Shareholder Report Mailings

Vanguard attempts to eliminate the unnecessary expense of duplicate mailings by sending just one prospectus and/or report when two or more shareholders have the same last name and address. You may request individual prospectuses and reports by contacting our Client Services Department in writing, by telephone, or by e-mail.

Vanguard.com

Registration. If you are a registered user of *Vanguard.com*, you can use your personal computer to review your account holdings; to buy, sell, or exchange shares of most Vanguard funds; and to perform most other transactions. You must register for this service online.

Electronic delivery. Vanguard can deliver your account statements, transaction confirmations, and fund financial reports electronically. If you are a registered user of *Vanguard.com*, you can consent to the electronic delivery of these documents by logging on and changing your mailing preference under "Account Profile." You can revoke your electronic consent at any time online, and we will begin to send paper copies of these documents within 30 days of receiving your revocation.

Telephone Transactions

Automatic. When we set up your account, we'll automatically enable you to do business with us by telephone, *unless you instruct us otherwise in writing.*

Tele-Account®. To conduct account transactions through Vanguard's automated telephone service, you must first obtain a Personal Identification Number (PIN). Call Tele-Account at 800-662-6273 to obtain a PIN.

Proof of a caller's authority. We reserve the right to refuse a telephone request if the caller is unable to provide the requested information or if we reasonably believe that the caller is not an individual authorized to act on the account. Before we allow a caller to act on an account, we may request the following information:

- Authorization to act on the account (as the account owner or by legal documentation or other means).
- Account registration and address.
- Fund name and account number, if applicable.
- Other information relating to the caller, the account owner, or the account.

Good Order

We reserve the right to reject any transaction instructions that are not in "good order." Good order generally means that your instructions include:

- The fund name and account number.
- The amount of the transaction (stated in dollars, shares, or percentage).

Written instructions also must include:

- Signatures of all registered owners.
- Signature guarantees, if required for the type of transaction. (Call Vanguard for specific signature-guarantee requirements.)
- Any supporting documentation that may be required.

The requirements vary among types of accounts and transactions.

Vanguard reserves the right, without notice, to revise the requirements for good order.

Future Trade-Date Requests

Vanguard does not accept requests to hold a purchase, redemption, or exchange transaction for a future date. All such requests will receive trade dates as previously described in *Purchasing Shares* and *Redeeming Shares*. Vanguard reserves the right to return future-dated purchase checks.

Accounts With More Than One Owner

If an account has more than one owner or authorized person, Vanguard will accept telephone or online instructions from any one owner or authorized person.

Responsibility for Fraud

Vanguard will not be responsible for any account losses because of fraud if we reasonably believe that the person transacting business on an account is authorized to do so. Please take precautions to protect yourself from fraud. Keep your account information private, and immediately review any account statements that we provide to you. It is important that you contact Vanguard immediately about any transactions or changes to your account that you believe to be unauthorized.

Uncashed Checks

Please cash your distribution or redemption checks promptly. Vanguard will not pay interest on uncashed checks.

Unusual Circumstances

If you experience difficulty contacting Vanguard online, by telephone, or by Tele-Account, you can send us your transaction request by regular or express mail. See *Contacting Vanguard* for addresses.

Investing With Vanguard Through Other Firms

You may purchase or sell shares of most Vanguard funds through a financial intermediary, such as a bank, broker, or investment advisor. Please consult your financial intermediary to determine which, if any, shares are available through that firm and to learn about other rules that may apply.

Please see *Frequent-Trading Limits—Accounts Held by Intermediaries* for information about the assessment of redemption fees and monitoring of frequent trading for accounts held by intermediaries.

Account Service Fee

For most shareholders, Vanguard charges a \$20 account service fee on all fund accounts that have a balance below \$10,000 for any reason, including market fluctuation. The account service fee applies to both retirement *and* nonretirement fund accounts and will be assessed on fund accounts in all Vanguard funds, regardless of a fund's minimum investment amount. The fee, which will be collected by redeeming fund shares in the amount of \$20, will be deducted from a fund account only once per calendar year.

If you register on *Vanguard.com* and elect to receive electronic delivery of statements, reports, and other materials for all of your fund accounts, the account

service fee for balances below \$10,000 will not be charged, so long as that election remains in effect.

The account service fee also *does not* apply to the following:

- Money market sweep accounts owned in connection with a Vanguard Brokerage Services® account.
- Accounts held through intermediaries.
- Accounts held by Voyager, Voyager Select, and Flagship members. Membership is based on total household assets held at Vanguard, with a minimum of \$50,000 to qualify for Vanguard Voyager Services®, \$500,000 for Vanguard Voyager Select Services®, and \$1 million for Vanguard Flagship Services®. Vanguard determines membership by aggregating assets of all eligible accounts held by the investor and immediate family members who reside at the same address. Aggregate assets include investments in Vanguard mutual funds, Vanguard ETFs®, annuities through Vanguard, the Vanguard 529 Plan, certain small-business accounts, and employer-sponsored retirement plans for which Vanguard provides recordkeeping services.
- Participant accounts in employer-sponsored defined contribution plans.* Please consult your enrollment materials for the rules that apply to your account.
- Section 529 college savings plans.

* The following Vanguard fund accounts have alternative fee structures: SIMPLE IRAs, certain Section 403(b)(7) accounts, Vanguard Retirement Investment Program pooled plans, and Vanguard Retirement Plans for which Vanguard Fiduciary Trust Company serves as trustee.

Low-Balance Accounts

Each Fund reserves the right to liquidate a fund account whose balance falls below the minimum initial investment for any reason, including market fluctuation. This policy applies to nonretirement fund accounts and accounts that are held through intermediaries.

Right to Change Policies

In addition to the rights expressly stated elsewhere in this prospectus, Vanguard reserves the right, without notice, to (1) alter, add, or discontinue any conditions of purchase (including eligibility requirements), redemption, exchange, service, or privilege at any time; (2) accept initial purchases by telephone; (3) freeze any account and/or suspend account services if Vanguard has received reasonable notice of a dispute regarding the assets in an account, including notice of a dispute between the registered or beneficial account owners, or if we reasonably believe a fraudulent transaction may occur or has occurred; (4) temporarily freeze any account and/or suspend account services upon initial notification to Vanguard of the death of the

shareholder until Vanguard receives required documentation in good order; (5) alter, impose, discontinue, or waive any redemption fee, account service fee, or other fees charged to a group of shareholders; and (6) redeem an account or suspend account privileges, without the owner's permission to do so, in cases of threatening conduct or activity Vanguard believes to be suspicious, fraudulent, or illegal. Changes may affect any or all investors. These actions will be taken when, at the sole discretion of Vanguard management, we reasonably believe they are deemed to be in the best interest of a fund.

Fund and Account Updates

Confirmation Statements

We will send (or provide online, whichever you prefer) a confirmation of your trade date and the amount of your transaction when you buy, sell, or exchange shares. However, we will not send confirmations reflecting only checkwriting redemptions or the reinvestment of dividend or capital gains distributions. For any month in which you had a checkwriting redemption, a Checkwriting Activity Statement will be sent to you itemizing the checkwriting redemptions for that month. Promptly review each confirmation statement that we provide to you by mail or online. It is important that you contact Vanguard immediately with any questions you may have about any transaction reflected on a confirmation statement, or Vanguard will consider the transaction properly processed.

Portfolio Summaries

We will send (or provide online, whichever you prefer) quarterly portfolio summaries to help you keep track of your accounts throughout the year. Each summary shows the market value of your account at the close of the statement period, as well as all distributions, purchases, redemptions, exchanges, and transfers for the current calendar year. Promptly review each summary that we provide to you by mail or online. It is important that you contact Vanguard immediately with any questions you may have about any transaction reflected on the summary, or Vanguard will consider the transaction properly processed.

Tax Statements

For most accounts, we will send annual tax statements to assist you in preparing your income tax returns. These statements, which are generally mailed in January, will report the previous year's dividends, capital gains distributions, proceeds from the sale of shares from taxable accounts, and distributions from IRAs and other retirement plans. Registered users of *Vanguard.com* can view these statements online.

Average-Cost Review Statements

For most taxable accounts, an average-cost review statement will accompany the annual Form 1099-B. This statement shows the average cost of shares that you redeemed during the previous calendar year, using the average-cost single-category method, one of the methods established by the IRS and the only method used by Vanguard. You may want to consult a tax professional to determine if a different method is best for you.

Annual and Semiannual Reports

We will send (or provide online, whichever you prefer) comprehensive reports about Vanguard Target Retirement Funds twice a year, in May and November. These reports include overviews of the financial markets and provide the following specific Fund information:

- Performance assessments and comparisons with industry benchmarks.
- Financial statements with listings of Fund holdings.

Portfolio Holdings

We generally post on our website at www.vanguard.com, in the **Portfolio** section of each Fund's Portfolio & Management page, a detailed list of the securities held by the Fund, as of the end of the most recent calendar quarter. This list is generally updated within 30 days after the end of each calendar quarter. Vanguard may exclude any portion of these portfolio holdings from publication when deemed in the best interest of the Fund. We also generally post the ten largest stock portfolio holdings of the Fund and the percentage of the Fund's total assets that each of these holdings represents, as of the end of the most recent calendar quarter. This list is generally updated within 15 calendar days after the end of each calendar quarter. Please consult the Fund's *Statement of Additional Information* or our website for a description of the policies and procedures that govern disclosure of the Fund's portfolio holdings.

Contacting Vanguard

Web

Vanguard.com 24 hours a day, 7 days a week	For the most complete source of Vanguard news For fund, account, and service information For most account transactions For literature requests
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Phone

Vanguard Tele-Account® 800-662-6273 (ON-BOARD)	For automated fund and account information For exchange transactions (subject to limitations) Toll-free, 24 hours a day, 7 days a week
Investor Information 800-662-7447 (SHIP) (Text telephone for people with hearing impairment at 800-749-7273)	For fund and service information For literature requests Business hours only: Monday–Friday, 8 a.m. to 10 p.m., Eastern time; Saturday, 9 a.m. to 4 p.m., Eastern time
Client Services 800-662-2739 (CREW) (Text telephone for people with hearing impairment at 800-749-7273)	For account information For most account transactions Business hours only: Monday–Friday, 8 a.m. to 10 p.m., Eastern time; Saturday, 9 a.m. to 4 p.m., Eastern time
Institutional Division 888-809-8102	For information and services for large institutional investors Business hours only: Monday–Friday, 8:30 a.m. to 9 p.m., Eastern time
Intermediary Sales Support 800-997-2798	For information and services for financial intermediaries including broker-dealers, trust institutions, insurance companies, and financial advisors Business hours only: Monday–Friday, 8:30 a.m. to 7 p.m., Eastern time

Vanguard Addresses

Please be sure to use the correct address, depending on your method of delivery. Use of an incorrect address could delay the processing of your transaction.

Regular Mail (Individuals)	The Vanguard Group P.O. Box 1110 Valley Forge, PA 19482-1110
Regular Mail (Institutions)	The Vanguard Group P.O. Box 2900 Valley Forge, PA 19482-2900
Registered, Express, or Overnight	The Vanguard Group 455 Devon Park Drive Wayne, PA 19087-1815

Additional Information

Vanguard Fund	Inception Date	Suitable for IRAs	Newspaper Abbreviation	Vanguard Fund Number	CUSIP Number
Target Retirement Income Fund	10/27/2003	Yes	TgtRetInc	308	92202E102
Target Retirement 2005 Fund	10/27/2003	Yes	TgtRe2005	302	92202E201
Target Retirement 2010 Fund	6/7/2006	Yes	TgtRe2010	681	92202E706
Target Retirement 2015 Fund	10/27/2003	Yes	TgtRe2015	303	92202E300
Target Retirement 2020 Fund	6/7/2006	Yes	TgtRe2020	682	92202E805
Target Retirement 2025 Fund	10/27/2003	Yes	TgtRe2025	304	92202E409
Target Retirement 2030 Fund	6/7/2006	Yes	TgtRe2030	695	92202E888
Target Retirement 2035 Fund	10/27/2003	Yes	TgtRe2035	305	92202E508
Target Retirement 2040 Fund	6/7/2006	Yes	TgtRe2040	696	92202E870
Target Retirement 2045 Fund	10/27/2003	Yes	TgtRe2045	306	92202E607
Target Retirement 2050 Fund	6/7/2006	Yes	TgtRe2050	699	92202E862
Target Retirement 2055 Fund	8/18/2010	Yes	TgtRe2055	1487	92202E847

CFA® is a trademark owned by CFA Institute. The Funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such funds or securities. For any such funds or securities, the *Statement of Additional Information* contains a more detailed description of the limited relationship MSCI has with The Vanguard Group and any related funds.

Glossary of Investment Terms

Acquired Fund. Any mutual fund, business development company, or closed-end investment company whose shares are owned by another mutual fund, business development company, or closed-end investment company.

Active Management. An investment approach that seeks to exceed the average returns of the financial markets. Active managers rely on research, market forecasts, and their own judgment and experience in selecting securities to buy and sell.

Bond. A debt security (IOU) issued by a corporation, government, or government agency in exchange for the money you lend it. In most instances, the issuer agrees to pay back the loan by a specific date and generally to make regular interest payments until that date.

Capital Gains Distribution. Payment to mutual fund shareholders of gains realized on securities that a fund has sold at a profit, minus any realized losses.

Cash Investments. Cash deposits, short-term bank deposits, and money market instruments that include U.S. Treasury bills and notes, bank certificates of deposit (CDs), repurchase agreements, commercial paper, and banker's acceptances.

Common Stock. A security representing ownership rights in a corporation. A stockholder is entitled to share in the company's profits, some of which may be paid out as dividends.

Coupon. The interest rate paid by the issuer of a debt security until its maturity. It is expressed as an annual percentage of the face value of the security.

Dividend Distribution. Payment to mutual fund shareholders of income from interest or dividends generated by a fund's investments.

Expense Ratio. The percentage of a fund's average net assets used to pay its expenses during a fiscal year. The expense ratio includes management expenses—such as advisory fees, account maintenance, reporting, accounting, legal, and other administrative expenses—and any 12b-1 distribution fees. It does not include the transaction costs of buying and selling portfolio securities.

Fixed Income Security. An investment, such as a bond, representing a debt that must be repaid by a specified date, and on which the borrower must pay a fixed, variable, or floating rate of interest.

Fund of Funds. A mutual fund that pursues its objective by investing in other mutual funds.

Inception Date. The date on which the assets of a fund (or one of its share classes) are first invested in accordance with the fund's investment objective. For funds with a subscription period, the inception date is the day after that period ends. Investment performance is measured from the inception date.

Investment-Grade Bond. A debt security whose credit quality is considered by independent bond-rating agencies, or through independent analysis conducted by a fund's advisor, to be sufficient to ensure timely payment of principal and interest under current economic circumstances. Debt securities rated in one of the four highest rating categories are considered "investment-grade." Other debt securities may be considered by an advisor to be investment-grade.

Median Market Capitalization. An indicator of the size of companies in which a fund invests; the midpoint of market capitalization (market price x shares outstanding) of a fund's stocks, weighted by the proportion of the fund's assets invested in each stock. Stocks representing half of the fund's assets have market capitalizations above the median, and the rest are below it.

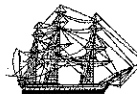
Mutual Fund. An investment company that pools the money of many people and invests it in a variety of securities in an effort to achieve a specific objective over time.

Passive Management. A low-cost investment strategy in which a mutual fund attempts to track—rather than outperform—a specified market benchmark or "index"; also known as indexing.

Total Return. A percentage change, over a specified time period, in a mutual fund's net asset value, assuming the reinvestment of all distributions of dividends and capital gains.

Volatility. The fluctuations in value of a mutual fund or other security. The greater a fund's volatility, the wider the fluctuations in its returns.

Yield. Income (interest or dividends) earned by an investment, expressed as a percentage of the investment's price.



Vanguard®

P.O. Box 2600
Valley Forge, PA 19482-2600

Connect with Vanguard® > www.vanguard.com

For More Information

If you would like more information about Vanguard Target Retirement Funds, the following documents are available free upon request:

Annual/Semiannual Reports to Shareholders

Additional information about the Funds' investments is available in the Funds' annual and semiannual reports to shareholders. In the annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds' performance during their last fiscal year.

Statement of Additional Information (SAI)

The SAI provides more detailed information about the Funds.

The SAI and portions of the current annual and semiannual reports are incorporated by reference into (and are thus legally a part of) this prospectus.

To receive a free copy of the latest annual or semiannual report or the SAI, or to request additional information about the Funds or other Vanguard funds, please visit www.vanguard.com or contact us as follows:

The Vanguard Group
Investor Information Department
P.O. Box 2600
Valley Forge, PA 19482-2600
Telephone: 800-662-7447 (SHIP)
Text telephone for people with hearing impairment:
800-749-7273

If you are a current Vanguard shareholder and would like information about your account, account transactions, and/or account statements, please call:

Client Services Department
Telephone: 800-662-2739 (CREW)
Text telephone for people with hearing impairment:
800-749-7273

Information Provided by the Securities and Exchange Commission (SEC)

You can review and copy information about the Funds (including the SAI) at the SEC's Public Reference Room in Washington, DC. To find out more about this public service, call the SEC at 202-551-8090. Reports and other information about the Funds are also available in the EDGAR database on the SEC's Internet site at www.sec.gov, or you can receive copies of this information, for a fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the Public Reference Section, Securities and Exchange Commission, Washington, DC 20549-1520.

Funds' Investment Company Act file number: 811-4098

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