



Income, capital gain estimates for money market funds

In September, three Vanguard money market funds made a small distribution of short-term capital gains.

Although unusual for money market funds, capital gains distributions have become more common in recent years because of the unusual interest rate environment. Declining rates drive up the prices of securities, which then may generate gains if they are sold. These short-term capital gains are taxed as ordinary income.

Consistent with their investment objectives, all three funds maintained their share price of \$1, as is expected but not guaranteed.

Individuals invested in the following funds will receive both income and short-term capital gains distributions as part of their September 2013 fund distributions. The estimated breakdown is as follows:

Vanguard fund	Income	Short-term capital gain
Admiral™ Treasury Money Market	33%	67%
Federal Money Market	13%	87%
Prime Money Market Investor Shares	9%	91%
Prime Money Market Institutional Shares	26%	74%

Please note that these amounts are estimates and are subject to change.

If you have any questions, please contact your relationship manager.

Legal notices

For more information about Vanguard funds, visit institutional.vanguard.com or call 800-523-1036 to obtain a prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in such a fund.

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

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