



How to  
choose  
investments  
for your  
retirement




**Vanguard**<sup>®</sup>

You have a lot of  
great **investment  
options** in your  
retirement plan.

Find out how to choose among  
them with this brochure.

To put your plan into action,  
visit **[vanguard.com/retirementplans](https://vanguard.com/retirementplans)**  
or call **800-523-1188** . . .  
*because your retirement matters.*



**Melissa | Age: 33**

"My retirement plan offers so many funds.  
How do I pick the right ones?"

There's a way to choose among your retirement plan's investments. It starts with one question . . .

### What kind of investor are you?



"Investing sounds like a foreign language to me. I wouldn't mind getting a little help." Turn to page 4.



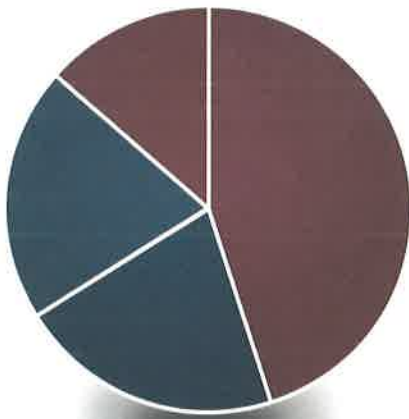
"I've been investing for years now, and I enjoy it. I can do it myself." Turn to page 8.

# Let Vanguard help

## Choose an all-in-one fund

If you'd like some help with investing, consider an all-in-one fund. The managers of all-in-one funds combine stock and bond funds to offer a well-diversified portfolio in a single investment. So rather than building your own portfolio from scratch, you're choosing one that's already been constructed by professional money managers.

All-in-one funds offer convenience and efficiency.



All-in-one funds often offer broad diversification in a single investment:

- U.S. stocks.
- U.S. Treasury bonds.
- U.S. corporate bonds.
- International stocks.
- International bonds.

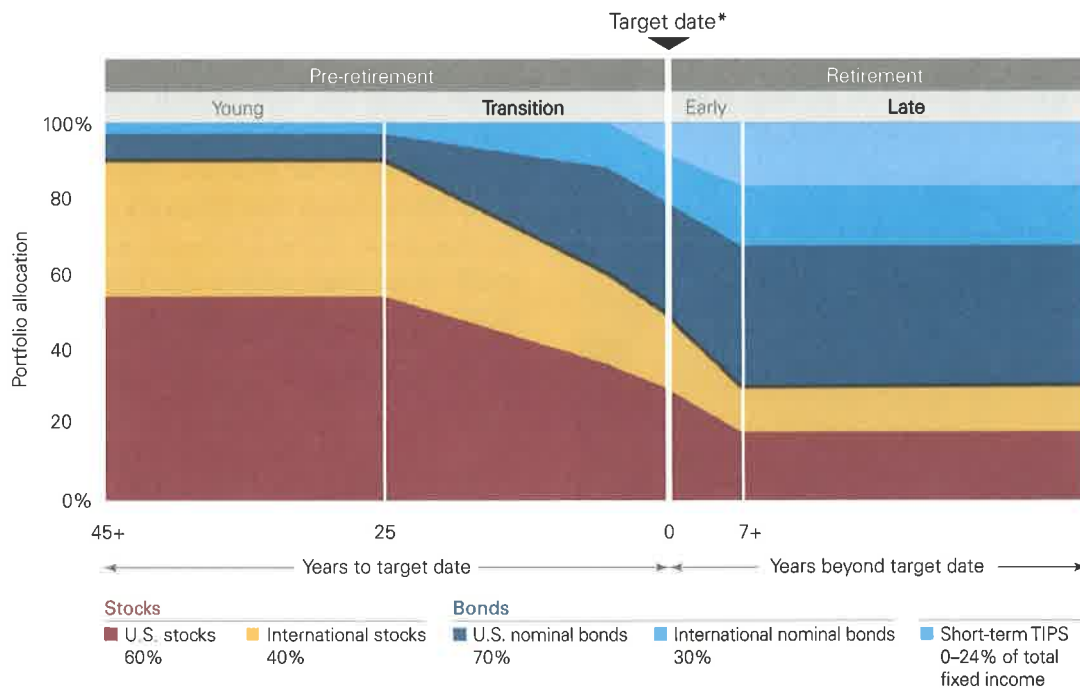
### How mutual funds work

Mutual funds pool money from many investors to buy stocks, bonds, or other investments. They provide investors with professional money management and can offer broad exposure to the market.

# Target-date funds are the most popular type of all-in-one funds in retirement plans today.\*

Like other all-in-one funds, target-date funds offer a broadly diversified portfolio in a single investment. But these funds add another important benefit: As the target date approaches, the fund's managers gradually reduce risk by shifting the fund's emphasis from more aggressive investments to more conservative ones.

\*Source: How America Saves 2014, A report on Vanguard 2013 defined contribution plan data.



Source: Vanguard.

\*Target date is the year stated in the fund name and assumes retirement at age 65.

## How to select a target-date fund

The year in the fund's name is the approximate year when an investor in the fund would retire and leave the workforce. So if you wanted to retire in 2035, for example, you could consider investing in the 2035 target-date fund.

However, you aren't required to choose the fund closest to your expected retirement year. If you'd prefer a more aggressive investment mix, you might choose a later target date, say 2040. Or, if you're a more conservative investor, you could choose a fund with an earlier target date, such as 2030.



Although target-date funds can help investors assemble and manage a broadly diversified retirement portfolio, it's important to recognize that there are still risks. Diversification does not ensure a profit or protect against a loss. A target-date fund is subject to the risks of the funds it invests in. Its returns are not guaranteed at any time, including on or after the target date. Investing in one does not ensure that you will have enough income in retirement.

Stock funds can lose value if the stock market falls. Bond funds can lose value too, such as when interest rates rise or if the bond issuer has difficulty paying its obligation. Bond funds can also lose value when their returns don't keep pace with the rate of inflation.

A couple is lying on their backs on a patterned blanket outdoors. They are looking up towards the sky, with their heads tilted back. The background is a soft-focus view of trees and foliage, suggesting a park or natural setting. The lighting is bright, indicating it's daytime.

**Julia | Age: 28**

"I will never feel comfortable investing in the stock market. I'm going to keep my money safe."

## The reason to invest your savings

There's no question that when you invest, you can lose money. The markets can drop sharply, and you can lose both your earnings and the money you invested. Or you might not make much progress for years at a time.

### So why invest in stocks at all?

One good reason is that retirement is so expensive that few of us can afford it by saving alone. To afford a lengthy retirement, we also need investment returns. So people who avoid the risk of stock or bond investing might encounter a bigger risk instead—that they can't afford to retire.

# Do it yourself

## Build your own investment portfolio

If you enjoy investing, you may want to assemble your own portfolio, combining several funds to create your own unique blend.

### **Step one: Choose an asset allocation**

Research shows that your asset mix—how you spread your money across stocks, bonds, and cash—has a greater effect on long-term returns than your choice of investments.

Vanguard will suggest an investment mix for you if you take our Investor Questionnaire, which you can find online at [vanguard.com/investor](https://vanguard.com/investor). You can accept the suggested asset allocation or choose a mix that is more conservative or aggressive than the one suggested.

### **Why invest in stocks?**

Stocks represent a share of ownership in a company. So when that company does well, its shares gain value. Stocks have historically had the highest investment returns, but also the highest risk of loss.

### **Why invest in bonds?**

Bonds are IOUs from governments or companies. In the past, bonds have had more moderate gains and losses than stocks. Bonds receive interest payments that can help make up for market losses.

Remember that past performance is no guarantee of future results.

## Step two: Select your investments

Once you've chosen an asset allocation, you can shop for individual funds to match the investment mix that you've selected. Generally, you will have three types of investments to choose from:

- Broad-based index funds.
- Specialized index funds.
- Actively managed funds.

**Broad-based index funds.** For the foundation of your portfolio, consider broadly diversified index funds that invest in a wide cross-section of the U.S. stock or bond markets. These funds may own thousands of different securities, diminishing the chance that one bad stock would greatly reduce your retirement account value.

However, diversification does not ensure a profit or protect against loss during broad market turndowns.

**Specialized index funds.** If you would like to further diversify your portfolio, consider adding some specialized funds. For example, some investors may want to add international stock or bond funds.

Just keep in mind that there are additional risks when you invest overseas. Political upheaval or financial troubles could reduce the value of stocks and bonds from a foreign country or region. Or a country's currency could fall against the dollar, reducing the value of investments from that country. Consider limiting your investment in international stocks to 20% to 40% of your total portfolio.

**Actively managed funds.** Active managers rely on research, market forecasts, and their own judgment and experience in selecting which securities to buy and sell.

Remember that actively managed funds cost more to own, on average, than index funds. Because costs are subtracted from a fund's returns, higher costs tend to reduce an investor's overall returns.

A man with dark hair, wearing a light blue t-shirt, is sitting on a brown couch. He is looking down at a tablet computer he is holding in his hands. In the background, there is a window with a lamp and some furniture.

**Jack | Age: 27**

"I've chosen my funds. Does that mean I'm done?"

Just as your car might require an annual inspection, so should your retirement investments. If your asset allocation has drifted more than five percentage points from your intended mix, consider restoring it by either:



Contributing more to the lagging category until your balance is restored.



Moving money into the lagging category to restore your investment balance more quickly.\*

\*Generally, investment sales within your plan are not taxable. Before you sell shares in an investment outside your plan, consult a tax advisor to make sure you understand the tax implications.

## Learn more

You can find your retirement plan's investment choices online. Just log on to your account at [vanguard.com/retirementplans](http://vanguard.com/retirementplans).

Or call a Vanguard Participant Services associate at **800-523-1188** Monday through Friday between 8:30 a.m. and 9 p.m., Eastern time.

Not registered? You can sign up for secure online account access at [vanguard.com/register](http://vanguard.com/register). Just follow the prompts. You will need your plan number, which you can find on your quarterly account statement.

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*All investing is subject to risk, including the possible loss of the money you invest. While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest.*

*For more information about any fund, including investment objectives, risks, charges, and expenses, you can download Vanguard fund prospectuses at [vanguard.com](http://vanguard.com). The prospectus contains this and other important information about the fund; read and consider the prospectus information carefully before you invest. You can also write Vanguard at P.O. Box 2900, Valley Forge, PA 19482-2900.*



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IBEW & ELECTRICAL IND LOCAL697 MONEY PURCHASE PLAN  
AND TRUST (092123)

# Your Investment Options at a Glance

The plan offers the following diversified lineup of investment options. For easy access to the most up-to-date information about each fund, including investment strategy, performance data, and fees, visit the web at <https://retirementplans.vanguard.com/PubFundChart/ibew697/8089> or review your quarterly account statement. If you cannot access fund information online or have questions about your plan's fund lineup, call Vanguard Participant Services at 800-523-1188.

## Target Retirement Funds: All-in-one investments

Consider choosing the date-specific fund nearest your expected year of retirement. Each fund becomes more conservative as your year of retirement approaches.

Investments in Target Retirement Funds are subject to the risks of their underlying funds. 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 workforce. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a Target Retirement Fund is not guaranteed at any time, including on or after the target date.

Fund Name	Inception Date	Fund Number	Fund Type	Objective	Risk Level
Vanguard Target Retirement Income Fund	10/27/2003	0308	Balanced fund (stocks and bonds)	Seeks to provide current income and some capital appreciation.	Conservative to Moderate
Vanguard Target Retirement 2010 Fund	06/07/2006	0681	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate
Vanguard Target Retirement 2015 Fund	10/27/2003	0303	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate
Vanguard Target Retirement 2020 Fund	06/07/2006	0682	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate

## Target Retirement Funds: All-in-one investments (continued)

Fund Name	Inception Date	Fund Number	Fund Type	Objective	Risk Level
Vanguard Target Retirement 2025 Fund	10/27/2003	0304	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate
Vanguard Target Retirement 2030 Fund	06/07/2006	0695	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate to Aggressive
Vanguard Target Retirement 2035 Fund	10/27/2003	0305	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate to Aggressive
Vanguard Target Retirement 2040 Fund	06/07/2006	0696	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate to Aggressive
Vanguard Target Retirement 2045 Fund	10/27/2003	0306	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate to Aggressive
Vanguard Target Retirement 2050 Fund	06/07/2006	0699	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate to Aggressive
Vanguard Target Retirement 2055 Fund	08/18/2010	1487	Balanced fund (stocks and bonds)	Seeks to provide capital appreciation and current income consistent with its current asset allocation.	Moderate to Aggressive

## Core Funds: Do-it-yourself investments

Create your own portfolio from among the core funds.

Fund Name	Inception Date	Fund Number	Fund Type	Objective	Risk Level
Vanguard Prime Money Market Fund Investor Shares	06/04/1975	0030	Money market fund	Seeks to provide current income while maintaining liquidity and a stable share price of \$1.	Conservative
Vanguard Retirement Savings Trust	01/02/1989	0034	Stable value fund	Vanguard Retirement Savings Trust seeks to provide current and stable income, while maintaining a stable share value of \$1.	Conservative
Vanguard Total Bond Market Index Fund Investor Shares	12/11/1986	0084	Bond fund	Seeks to track the performance of a broad, market-weighted bond index.	Conservative to Moderate
Vanguard Wellesley® Income Fund Admiral™ Shares	05/14/2001	0527	Balanced fund (stocks and bonds)	Seeks to provide long-term growth of income and a high and sustainable level of current income, along with moderate long-term capital appreciation.	Moderate
Vanguard High-Yield Corporate Fund Investor Shares	12/27/1978	0029	Bond fund	Seeks to provide a high level of current income.	Moderate
Vanguard 500 Index Fund Investor Shares	08/31/1976	0040	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.	Moderate to Aggressive

## Core Funds: Do-it-yourself investments (continued)

Fund Name	Inception Date	Fund Number	Fund Type	Objective	Risk Level
Vanguard Growth Index Fund Investor Shares	11/02/1992	0009	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of large-capitalization growth stocks.	Moderate to Aggressive
Vanguard Windsor™ II Fund Investor Shares	06/24/1985	0073	Domestic stock fund	Seeks to provide long-term capital appreciation and income.	Moderate to Aggressive
Vanguard Mid-Cap Growth Index Fund Investor Shares	08/24/2006	0832	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization growth stocks.	Aggressive
Vanguard Mid-Cap Index Fund Investor Shares	05/21/1998	0859	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks.	Aggressive
Vanguard Mid-Cap Value Index Fund Investor Shares	08/24/2006	0835	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization value stocks.	Aggressive
Vanguard PRIMECAP Fund Investor Shares	11/01/1984	0059	Domestic stock fund	Seeks to provide long-term capital appreciation.	Aggressive
Vanguard Small-Cap Growth Index Fund Investor Shares	05/21/1998	0861	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of small-capitalization growth stocks.	Aggressive
Vanguard Small-Cap Index Fund Investor Shares	10/03/1960	0048	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of small-capitalization stocks.	Aggressive
Vanguard Small-Cap Value Index Fund Investor Shares	05/21/1998	0860	Domestic stock fund	Seeks to track the performance of a benchmark index that measures the investment return of small-capitalization value stocks.	Aggressive
Vanguard Emerging Markets Stock Index Fund Investor Shares	05/04/1994	0533	International stock fund	Seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in emerging market countries.	Aggressive
Vanguard International Value Fund Investor Shares	05/16/1983	0046	International stock fund	Seeks to provide long-term capital appreciation.	Aggressive

## Supplemental Funds: Portfolio fine-tuning investments

Consider adding supplemental funds to your core fund-based portfolio.

Fund Name	Inception Date	Fund Number	Fund Type	Objective	Risk Level
Metropolitan West Total Return Bond Fund Class I	03/31/2000	3472	Bond fund	The investment seeks to maximize long-term total return.	Conservative to Moderate

## A note about risk

All investing is subject to risk, including the possible loss of the money you invest. Diversification does not ensure a profit or protect against a loss. Bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. While the market values of government securities are not guaranteed and may fluctuate, these securities are guaranteed as to the timely payment of principal and interest. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. Stocks of companies based in emerging markets are subject to national and regional political and economic risks and to the risk of currency fluctuations. These risks are especially high in emerging markets.

The Vanguard Retirement Savings Trust is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants. The collective trust mandates are managed by Vanguard Fiduciary Trust Company, a subsidiary of The Vanguard Group, Inc.

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*For more information about any fund, including investment objectives, risks, charges, and expenses, call Vanguard at 800-523-1188 to obtain a prospectus. The prospectus contains this and other important information about the fund. Read and consider the prospectus information carefully before you invest. You can also download fund prospectuses at [vanguard.com](http://vanguard.com).*

*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.*

*An investment in a stable value fund is neither insured nor guaranteed by the U.S. government. There is no assurance that the fund will be able to maintain a stable net asset value, and it is possible to lose money by investing in the fund.*

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Risk level takes into account the different types of risk applicable to each fund's asset class and investment style.



#### Participant Education

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November 7, 2015





# Investor Questionnaire

Answer the questions on the following pages with one specific financial goal in mind, such as retirement. Don't use this questionnaire for goals that require you to spend all of your money for the goal within the next two years. Savings for short-term objectives should be invested in more stable investments—primarily short-term reserves.

To determine your investment approach for other goals, fill out the questionnaire as many times as you like, with a different goal in mind each time.

## Terms and conditions of use for Vanguard's Investor Questionnaire

*Before using Vanguard's Investor Questionnaire, please read the assumptions and limitations and accept the terms and conditions of use.*

*This questionnaire is designed to help you decide how to allocate the assets in your retirement plan among different asset classes (stocks, bonds, and short-term reserves) and among different funds available through your plan. You are under no obligation to accept the suggestions provided by the questionnaire.*

*The suggestions provided are based on generally accepted investment principles. There is no guarantee, however, that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of retirement income. All investing is subject to risk, including the possible loss of the money you invest. Fluctuations in the financial markets and other factors may cause the value of your plan account to decline. Bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments.*

*This investment-planning tool is provided to you at no charge and does not provide comprehensive investment or financial advice. In applying the suggestions to your particular situation, you should consider your other assets and investments. As your financial circumstances or goals change, it may be helpful to complete the Investor Questionnaire again to see whether your suggested asset allocation has changed. By using this investment-planning tool, you acknowledge that you have read and understood the information above and that you agree to these terms and conditions.*

**1. I plan to begin taking money from my investments in . . .**

- ☐ A. Less than 1 year
- ☐ B. 1–2 years
- ☐ C. 3–5 years
- ☐ D. 6–10 years
- ☐ E. 11–15 years
- ☐ F. More than 15 years

**2. As I withdraw money from these investments, I plan to spend it over a period of . . .**

- ☐ A. 2 years or less
- ☐ B. 3–5 years
- ☐ C. 6–10 years
- ☐ D. 11–15 years
- ☐ E. More than 15 years

**3. When making a long-term investment, I plan to keep the money invested for . . .**

- ☐ A. 1–2 years
- ☐ B. 3–4 years
- ☐ C. 5–6 years
- ☐ D. 7–8 years
- ☐ E. More than 8 years

**4. From September 2008 through November 2008, stocks lost more than 31% of their value. If I owned a stock investment that lost about 31% of its value in three months, I would . . . (If you owned stocks during this period, please select the answer that matches your actions at that time.)**

- ☐ A. Sell all of the remaining investment
- ☐ B. Sell some of the remaining investment
- ☐ C. Hold on to the investment and sell nothing
- ☐ D. Buy more of the investment

**5. Generally, I prefer an investment with little or no ups or downs in value, and I am willing to accept the lower returns these investments may generate.**

- ☐ A. I strongly disagree
- ☐ B. I disagree
- ☐ C. I somewhat agree
- ☐ D. I agree
- ☐ E. I strongly agree

**6. When the market goes down, I tend to sell some of my riskier investments and put the money in safer investments.**

- ☐ A. I strongly disagree
- ☐ B. I disagree
- ☐ C. I somewhat agree
- ☐ D. I agree
- ☐ E. I strongly agree

**7. Based only on a brief conversation with a friend, coworker, or relative, I would invest in a mutual fund.**

- ☐ A. I strongly disagree
- ☐ B. I disagree
- ☐ C. I somewhat agree
- ☐ D. I agree
- ☐ E. I strongly agree

## Assumptions

Investment returns for the asset allocations are based on the following benchmark indexes:

Asset class	Benchmark index
Short-term reserves	Citigroup 3-Month U.S. Treasury Bill Index*
Bonds	Barclays U.S. Aggregate Float Adjusted Index**
Stocks	CRSP U.S. Total Market Index***

Source: Vanguard.

\*For U.S. short-term reserves, we use the Ibbotson U.S. 30-Day Treasury Bill Index from 1926 to 1977, and the Citigroup 3-Month U.S. Treasury Bill Index thereafter.

\*\*For U.S. bond market returns, we use the Standard & Poor's High Grade Corporate Index from 1926 to 1968; the Citigroup High Grade Index from 1969 to 1972; the Lehman Brothers U.S. Long Credit AA Index from 1973 to 1975; the Barclays U.S. Aggregate Bond Index from 1976 through December 31, 2009; and the Barclays U.S. Aggregate Float Adjusted Index thereafter.

\*\*\*For U.S. stock market returns, we use the Standard & Poor's 90 Index from 1926 to March 3, 1957; the Standard & Poor's 500 Index from March 4, 1957, to 1974; the Wilshire 5000 Index from 1975 to April 22, 2005; the MSCI US Broad Market Index through June 2, 2013; and the CRSP U.S. Total Market Index thereafter.

Annual returns and inflation for a given asset allocation are based on historical data from 1926 through the last calendar year. Past performance is not a guarantee or a prediction of future results.

## Limitations

As you use the questionnaire, keep the following limitations in mind:

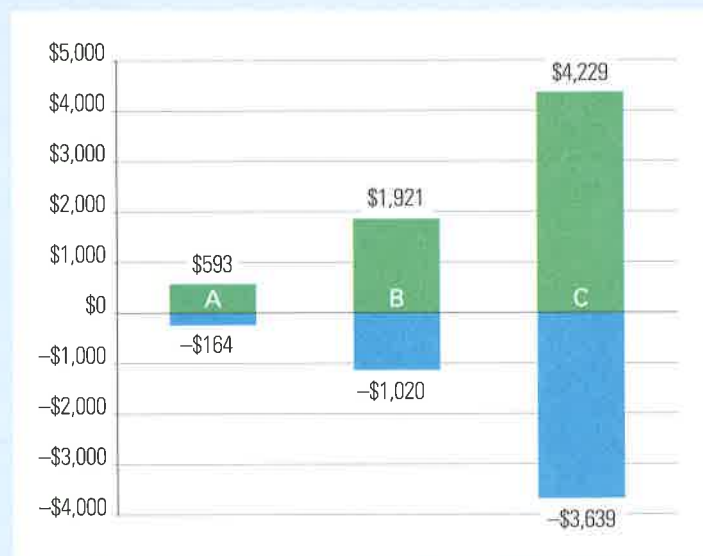
- The suggested asset allocations within the questionnaire depend on subjective factors such as your risk tolerance and financial situation. For this reason, you should view them only as broad guidelines for how you might consider investing your savings. It's important to review historical returns of short-term investments, bonds, and stocks carefully over various holding periods to see if you can accept the level of risk in a given investment mix.
- The asset allocations are limited to three broad classes of investments: short-term reserves (such as money market accounts and certificates of deposit), bonds, and stocks. They don't include other assets, such as real estate, personal property, or precious metals.
- The investment returns represented in the questionnaire are based on historical index returns from 1926 through the last calendar year and are not intended to indicate future performance.
- Any modifications to your current mix of investments should be made gradually to lessen the impact of significant market changes and potential tax effects.
- The Investor Questionnaire is intended to provide guidelines to help you design a savings and investment program. It doesn't provide comprehensive investment advice, such as advice on buying a specific stock or bond, and shouldn't be considered the sole or primary basis on which you make investment decisions. You may wish to consult a professional investment advisor, accountant, attorney, or broker before making an investment.
- Your financial projections greatly depend on your assumptions, especially for inflation rates, investment expenses, taxes, and investment returns. It's difficult to forecast such rates and returns accurately, especially over long periods. Therefore, it's critical that you update your projections periodically to accommodate any changes in your assumptions.
- The longer your time horizon, the more likely any change in your assumptions will have a significant impact on your results. Even small changes can lead to substantial variations in results over time. A 1% change in your investment return can have a significant impact on your ability to meet your retirement goals over the long term.
- Financial projections aren't mistake-proof and can't ensure specific future results. Changes in tax or benefit laws, investment markets, or your own financial situation can cause actual results to deviate substantially from your projections. To address this uncertainty, you should create several scenarios, with various sets of assumptions, to evaluate a wide range of possible outcomes.

8. From September 2008 through October 2008, bonds lost nearly 4% of their value. If I owned a bond investment that lost almost 4% of its value in two months, I would . . .  
(If you owned bonds during this period, please select the answer that matches your actions at that time.)

- ☐ A. Sell all of the remaining investment
- ☐ B. Sell some of the remaining investment
- ☐ C. Hold on to the investment and sell nothing
- ☐ D. Buy more of the investment

9. The chart below shows the highest one-year loss and the highest one-year gain on three different hypothetical investments of \$10,000.\* Given the potential gain or loss in any one year, I would invest my money in . . .

- ☐ A. Investment A
- ☐ B. Investment B
- ☐ C. Investment C



\*The maximum gain or loss on an investment is impossible to predict. The ranges shown in the chart are hypothetical and are designed solely to gauge an investor's risk tolerance.

10. My current and future income sources (such as salary, Social Security, pension) are . . .

- ☐ A. Very unstable
- ☐ B. Unstable
- ☐ C. Somewhat stable
- ☐ D. Stable
- ☐ E. Very stable

11. When it comes to investing in stock or bond mutual funds (or individual stocks or bonds), I would describe myself as . . .

- ☐ A. Very inexperienced
- ☐ B. Somewhat inexperienced
- ☐ C. Somewhat experienced
- ☐ D. Experienced
- ☐ E. Very experienced

## Answer key

Use the following answer key to score your questionnaire. For example, if you answered "C" to question 1, give yourself 4 points. Use your score to find your suggested mix on the enclosed insert.

	A	B	C	D	E	F	Points
1.	0	1	4	7	12	17	
2.	0	1	3	5	8	—	
3.	0	1	3	5	7	—	
4.	1	3	5	6	—	—	
5.	6	5	3	1	0	—	
6.	5	4	3	2	1	—	
7.	5	4	3	2	1	—	
8.	1	3	5	6	—	—	
9.	1	3	5	—	—	—	
10.	1	2	3	4	5	—	
11.	1	2	3	4	5	—	

Add up your score and enter the total here: \_\_\_\_\_




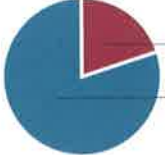
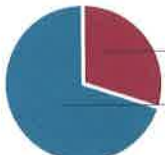
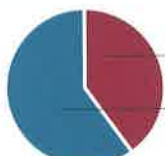
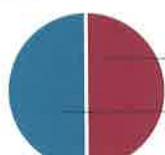
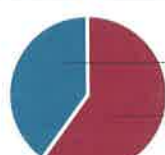
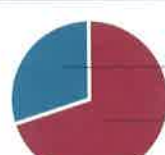
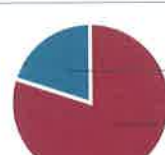

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## Vanguard's suggested investment mixes

	Overall score	Suggested mix	Asset allocation
Income	7–22 points		100% bonds
	23–28		20% stocks 80% bonds
	29–35		30% stocks 70% bonds
Balanced	36–41		40% stocks 60% bonds
	42–48		50% stocks 50% bonds
	49–54		60% stocks 40% bonds
Growth	55–61		70% stocks 30% bonds
	62–68		80% stocks 20% bonds
	69–75		100% stocks

● Stocks ● Bonds

Please note that a suggested investment mix is an example of a mix that someone with your risk tolerance and investment time horizon may consider. If you do not feel that the suggested mix is right for you, you may decide to use a more conservative or a more aggressive mix.

### **A note about risk**

All investing is subject to risk, including the possible loss of the money you invest. Bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. Diversification does not ensure a profit or protect against a loss.



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