

August 2015

Exciting changes are coming to your retirement plan

Dear Plan Participant:

The Skidmore College Retirement Plan is one of the most valuable benefits you have, giving you a convenient, flexible way to save for your future while keeping your costs low. Now choosing your investments is about to get even simpler. We urge you to review these materials and your current investments, but unless you wish to change no action is required on your part at this time.

Effective September 29, 2015, at 4 p.m., Eastern time, the investment lineup of the plan will be streamlined to a smaller number of primary choices, with new flexibility through the addition of the Vanguard Brokerage Option. The following changes will be made:

- **Vanguard Total International Bond Index Fund** will be added to your plan.
- **The Vanguard Brokerage Option (VBO®) will become available.** The VBO allows you to choose from thousands of mutual funds from hundreds of fund families.

Keep in mind that the risks are substantially greater with this strategy and that you'll have to pay commissions and other costs. A fee of \$50 will be deducted from your account's main investment options every November. This fee will be reflected on your fourth-quarter Skidmore College Retirement Plan statement.

- Assets and allocations in 64 existing funds will be moved into other investment options.

About your new fund

Vanguard Total International Bond Index Fund seeks to track the performance of a U.S. dollar-hedged benchmark index that measures the investment return of investment-grade bonds issued outside of the United States.

Simplifying your investment choices

As part of a streamlining process, the funds listed in the left column of the following chart will be removed from the plan on September 29, 2015, and money invested in them will move to the funds listed in the right column. Your money will move into funds that have similar investment strategies.

If no similar fund exists, money in the closing funds will move to the plan's default fund—the Vanguard Target Retirement Fund with the target date closest to the year in which you will reach age 65. You have until 4 p.m., Eastern time, on September 29, 2015, to move your money into another fund in the plan's revised lineup if you do not want your money to move as shown below.

| These funds are being removed . . . | Balances in and contributions to the closing funds will move to . . . |
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| Vanguard Admiral™ Treasury Money Market Fund | Vanguard Prime Money Market Fund |
| Vanguard Federal Money Market Fund | |

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| Vanguard Intermediate-Term Bond Index Fund | Vanguard Total Bond Market Index Fund |
| Vanguard Intermediate-Term Investment-Grade Fund | |
| Vanguard Intermediate-Term Treasury Fund | |
| Vanguard Long-Term Bond Index Fund | |
| Vanguard Long-Term Investment-Grade Fund | |
| Vanguard Long-Term Treasury Fund Investor Shares | |
| Vanguard Equity Income Fund | Vanguard 500 Index Fund |
| Vanguard High Dividend Yield Index Fund | |
| Vanguard U.S. Growth Fund | |
| Vanguard U.S. Value Fund | |
| Vanguard Value Index Fund | |
| Vanguard Windsor™ Fund | |
| Vanguard Windsor II Fund | |
| Vanguard Dividend Appreciation Index Fund | |
| Vanguard Dividend Growth Fund | |
| Vanguard Growth and Income Fund | |
| Vanguard Large-Cap Index Fund | |
| Vanguard PRIMECAP Core Fund | |
| Vanguard PRIMECAP Fund | |
| Vanguard Growth Index Fund | |
| Vanguard Morgan™ Growth Fund | |
| Vanguard Short-Term Bond Index Fund | |
| Vanguard Short-Term Federal Fund | |
| Vanguard Short-Term Investment-Grade Fund | |
| Vanguard Short-Term Treasury Fund | |
| Vanguard Inflation-Protected Securities Fund | |
| Vanguard GNMA Fund | |
| Vanguard High-Yield Corporate Fund | |
| Vanguard Convertible Securities Fund | |
| Vanguard Diversified Equity Fund | |
| Vanguard Total Stock Market Index Fund | |
| Vanguard Balanced Index Fund | |
| Vanguard LifeStrategy® Conservative Growth Fund | |
| Vanguard LifeStrategy Growth Fund | |
| Vanguard LifeStrategy Income Fund | |
| Vanguard LifeStrategy Moderate Growth Fund | |
| Vanguard Precious Metals and Mining Fund | |
| Vanguard Energy Fund | |
| Vanguard Health Care Fund | |

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| Vanguard Wellesley® Income Fund | |
| Vanguard Wellington™ Fund | |
| Vanguard STAR® Fund | |
| Vanguard Capital Opportunity Fund | |
| Vanguard Selected Value Fund | |
| Vanguard Extended Market Index Fund | |
| Vanguard Strategic Equity Fund | Vanguard Mid-Cap Index Fund |
| Vanguard Capital Value Fund | |
| Vanguard Mid-Cap Growth Fund | |
| Vanguard Mid-Cap Growth Index Fund | |
| Vanguard Mid-Cap Value Index Fund | |
| Vanguard Small-Cap Growth Index Fund | |
| Vanguard Small-Cap Value Index Fund | Vanguard Small-Cap Index Fund |
| Vanguard Strategic Small-Cap Equity Fund | |
| Vanguard Explorer™ Fund | |
| Vanguard Global Equity Fund | Vanguard Total World Stock Index Fund |
| Vanguard Developed Markets Index Fund | |
| Vanguard International Explorer Fund | |
| Vanguard International Growth Fund | |
| Vanguard International Value Fund | Vanguard Total International Stock Index Fund |
| Vanguard FTSE All-World ex-US Small-Cap Index Fund | |
| Vanguard European Stock Index Fund | |
| Vanguard Pacific Stock Index Fund | |
| Vanguard FTSE All World ex US Index Fund | |

About Vanguard Target Retirement Funds

How you invest your money among stocks, bonds, and short-term reserves—now and as you grow older—is one of your most important financial decisions. Vanguard Target Retirement Funds provide a professionally maintained, diversified mix of investments that shifts its emphasis to more conservative investments as the target date nears.

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. Keep in mind that diversification does not ensure a profit or protect against a loss.

You might want to make a single Target Retirement Fund your only plan investment. Why? Because a Target Retirement Fund is a broadly diversified investment mix on its own. However, although Target Retirement Funds simplify the investment process, they still require some monitoring to ensure that the portfolio is in line with your current situation.

Consider choosing the fund with the date that's closest to the year when you expect to retire. If you are already retired, consider choosing Vanguard Target Retirement Income Fund. This fund seeks to provide current income and some capital appreciation to retirees.

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. Vanguard Total International Bond Index Fund is subject to currency hedging risk, which is the chance that currency hedging transactions may not perfectly offset the fund's foreign currency exposures and may eliminate any chance for a fund to benefit from favorable fluctuations in those currencies. The fund will incur expenses to hedge its currency exposures. 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.

Connect with Vanguard®

To conduct transactions, research investments, use financial planning tools, and more:

- **Online.** Log on to your account at vanguard.com/retirementplans. Not yet registered for immediate, secure online account access? Click **Register for account access** on the logon page to sign up. You will need your plan number: **090674**.
- **On your mobile device.** Go to vanguard.com/bemobile to download the Vanguard app so you can access your account on the go.
- **By phone.** Call **800-523-1188** to reach Vanguard's 24-hour interactive VOICE® Network. You'll need your Social Security number and a personal identification number (PIN) to use VOICE. To create a PIN, follow the prompts. Or you can speak with a Vanguard Participant Services associate Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time.

Join the Vanguard community on our social media channels. You'll have access to Vanguard experts and be able to get up-to-the-minute news and views, attend live web events, participate in live chats, and interact with other Vanguard investors.

Questions?

The enclosed FAQ should answer many of the questions you may have regarding these changes. You may also call a Vanguard Participant Services associate at **800-523-1188** Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time.

Sincerely,

Vanguard

For more information about any fund, including investment objectives, risks, charges and expenses, call Vanguard at 1.800.523.1188 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 Vanguard fund prospectuses at 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.

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