





Vanguard Structured Broad Market Fund Institutional Shares

EIN: 20-5380815

Attachment to Form 8937

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**Date of Action: 01/11/2017 (Part I, box 8)**

Part II

14. Vanguard Structured Broad Market Fund Institutional Shares ("The Fund") declared a distribution to shareholders of record on January 11, 2017 of \$9.3279 per share. The Fund determined that a portion of this distribution constitutes a non-taxable return of capital.

15. Of the Fund's distribution declared and record on January 11, 2017, \$0.9098 is non-taxable return of capital. This amount is a non-taxable return of capital to the extent of a shareholder's tax basis in each of its Fund shares, with any remaining amount being taxed as capital gain to a shareholder.

16. The calculation of the return of capital is based upon The Fund's accumulated earnings and profits as of its fiscal year ended June 27, 2017. The amount of the return of capital should be applied against the shareholder's adjusted basis of the security, reducing the basis until it is zero. The amount of the return of capital, if any, that exceeds a zero basis shall be treated as a gain from the sale or exchange of property.

17. Internal Revenue Code Sections 301(c) and 316(a).

18. Not applicable.

19. None

**Date of Action: 06/27/2017 (Part I, box 8)**

Part II

14. The above-named issuer was completely liquidated on June 27, 2017, wherein all of the shares of the Fund were redeemed in exchange for liquidating distribution(s) pursuant to a plan of liquidation and termination.

15. As a result of the above-described organizational action, each shareholder generally will recognize gain or loss on the disposition of the shares being redeemed. The shareholder's gain or loss will generally be measured as the difference between gross proceeds received in the liquidating distributions and the tax basis in these shares. After the transaction and the recognition event, the shareholder will no longer own any shares or have any tax basis in the shares. Gain or loss realized on shares may be treated as a taxable event. Shareholders should contact their tax advisors regarding the specific circumstances surrounding their shares subject to this organizational action.

16. Amounts received by a shareholder in a distribution in complete liquidation of the Fund is treated as full payment in exchange of the stock. This sale or exchange treatment results in the offsetting of a shareholder's basis against the liquidation distribution proceeds, resulting in realized gain or loss. After this gain or loss recognition event the shareholders will no longer own any shares or have any tax basis in the redeemed shares.

17. Internal Revenue Code Section 334(a), General Rule – If property is received in a distribution in complete liquidation, and if gain or loss is recognized on receipt of such property, then the basis of the property in the hands of the distributee shall be the fair market value of such property at the time of the distribution.

International Revenue Code Section 346(a) Complete Liquidation – For purposes of this subchapter, a distribution shall be treated as in complete liquidation of a corporation if the distribution is one of a series of distributions in redemption of all of the stock of the corporation pursuant to a plan.

18. A recognized loss can occur on the shares redeemed in the liquidation. Some recognized losses may not be part of taxable transactions. Please consult your tax advisor to determine the tax consequences of the shares redeemed in your account.

19. This organizational action is reportable with respect to calendar year 2017.