

Effective June 20, 2024

Tax Loss Harvesting Addendum to Your Vanguard Discretionary Advice Service Agreement

I. SUMMARY OF TAX LOSS HARVESTING PROGRAM AND SERVICE

Pursuant to the Service Agreement between you and Vanguard Advisers, Inc. (“VAI”) (also referred to herein as “we,” “us,” and “our”) governing your enrollment in a VAI’s discretionary advice service (the “Service”), the terms and conditions of which are hereby incorporated by reference, this Tax Loss Harvesting Addendum, as may be amended or supplemented, will govern our offering of the Tax Loss Harvesting Service (“TLH Service”). Tax loss harvesting involves selling a security that has experienced a loss and replacing that security with a different holding designed to maintain your asset allocation. Primarily, a tax loss harvesting strategy can add value in the form of reduced income taxes when realized losses, also referred to as harvested losses, are used to lower a tax bill by offsetting realized capital gains and up to \$3,000 of ordinary income, based on current tax provisions. Additionally, the strategy may increase after-tax returns where those tax savings are used to purchase additional securities, assuming the additional investments purchased with your tax savings experience compounding growth in the markets over time.

We ask that you consider the important disclosures set forth in this document. Upon election of the TLH Service, the terms and conditions herein will be incorporated into and be governed by your Service Agreement with VAI.

Note: underlining indicates terms that are defined in **Section III.F. Definitions**.

II. KEY LIMITATIONS AND MATERIAL RISKS OF TAX LOSS HARVESTING

Your ability to utilize the losses harvested through the TLH Service will depend upon your individual circumstances, including whether you realize any capital gains in the same or future years as losses are harvested. We do not provide tax or legal advice. The TLH Service and this Tax Loss Harvesting Addendum are not intended as tax or legal advice. VAI and its affiliates do not represent that any particular tax consequences will be obtained by enrolling in the TLH Service. Before electing the TLH Service, you should consult with your tax advisor to discuss any concerns related to your participation in the TLH Service or consult your tax preparation software in light of your particular circumstances and their impact on your individual tax return. The IRS website at www.irs.gov also contains information that would be prudent for you to review about the consequences of engaging in tax loss harvesting.

The IRS Wash Sale rules relevant to the TLH Service are complex. The TLH Service is not suitable for every investor and the overall effectiveness of the TLH Service will depend on your individual circumstances including your entire tax, investment and income profile. No assurance can be given that the TLH Service will successfully reduce, defer or eliminate any taxable gains generated by your investment portfolio in a year.

The TLH Service may also implicate state or local tax consequences for your particular situation. A discussion of state and local tax consequences is beyond the scope of this disclosure and you should consult your tax advisor regarding any state or local tax consequences of enrolling in the TLH Service.

This disclosure is not intended to be an exhaustive description of all of the risks inherent to participating in the TLH Service. Before enrolling in the TLH Service, you should carefully consider the risks of participating in the TLH Service and whether such risks are right for your individual situation. The following is a summary of the material risks of participating in the TLH Service:

- A. We are only capable of monitoring for compliance with the IRS Wash Sale rules in Brokerage Advised Accounts. The IRS Wash Sale rules apply per investor, not per account. We are not able to monitor any (i) employer sponsored retirement plan accounts held by you, even if such accounts are enrolled in and advised by the Service; or (ii) any other accounts, whether held at Vanguard or not, that are not Brokerage Advised Accounts. Additionally, any accounts linked to your account for goal projections including those held in the name of a joint account owner, spouse, or partner are not monitored. If you are unwilling or unable to monitor your transaction activity in accounts that we are not capable of monitoring for compliance with Wash Sale rules, then you should not enroll in the TLH Service. If you do elect the TLH Service, you acknowledge and agree that you have the responsibility to monitor transaction activity outside your Advised Accounts and that any benefits of the TLH Service will be limited by your ability to monitor such accounts.
- B. If you enroll an employer sponsored retirement plan account after electing the TLH Service then we will cease the TLH Service in your Brokerage Advised Accounts. In the event we expand our monitoring capabilities in the future to include advised employer sponsored retirement plan accounts then the TLH Service will automatically turn back on and remain on unless you deactivate the TLH Service.
- C. The potential benefits of tax loss harvesting can be reduced by the costs associated with replacing Harvestable Securities with Vanguard Replacement ETFs that may have higher expense ratios. However, so long as your accounts remain advised, revenues that Vanguard collects from your portfolio will be used to reduce the gross advisory fee charged each of

your accounts. In addition to monitoring the Tax Loss Harvesting Threshold, if you have elected TLH we may also replace Harvestable Securities at a loss with Vanguard Replacement ETFs as part of a rebalance as well.

- D. The potential benefits of tax loss harvesting may be reduced by the portfolio tracking error introduced into your Brokerage Advised Accounts by investing in Vanguard Replacement ETFs that have underlying investments that differ from the original Harvestable Security. When we sell Harvestable Securities, in many cases we need to purchase replacement investments to maintain your recommended asset allocation. In the absence of the need to ensure that your replacement investments are not deemed to be Substantially Identical for the purposes of the IRS Wash Sale rules, we would recommend the purchase of our Lead Vanguard Equity Index ETFs for your investment setting. We cannot do so, however, where the Harvestable Security that was sold is the same as or very similar to one of our Lead Vanguard Equity Index ETFs in order to comply with IRS Wash Sale rules. The degree of differentiation between the Harvestable Security that was sold, and the Vanguard Replacement ETF, can be viewed as the degree of risk an investor must take in order to harvest a loss. This risk is commonly measured as portfolio tracking error. A greater overlap between individual securities held within the Harvestable Security and the Vanguard Replacement ETF and a stronger correlation between their anticipated performance will lead to lower portfolio tracking error, but also increases the likelihood of any replacement security being deemed Substantially Identical and hence a Wash Sale. Attempting to balance these two attributes can produce a wide range of outcomes that could, in some cases, represent a material deviation from the risk characteristics of the recommended asset allocation. You must carefully balance the ability to track your recommended asset allocation with adherence to the IRS Wash Sale rules. This consideration can become particularly important the longer a Vanguard Replacement ETF is held due to the increased risk of tracking error over time represented by an asset allocation consisting of Vanguard Replacement Funds versus your asset allocation consisting of our originally recommended Harvestable Securities.
- E. If you have elected an ESG investment setting then selecting the TLH Service will dilute the investments with an ESG investment objective in your portfolio due to the purchase of non-ESG Vanguard Replacement ETFs to avoid Wash Sales. Over time, dilution will be mitigated as you add new cash and Lead Vanguard Equity Index ETFs with ESG investment objectives are reintroduced through ongoing rebalancing activities.
- F. If you have elected an active/index investment setting there is no change in the Harvestable Securities. They remain limited to the applicable equity index holdings in your Taxable Advised Accounts.
- G. If you have elected the Enhanced Household Service, wash sale logic will be applied to both partners as if you and your partner are married spouses and jointly subject to the wash sale rule, regardless of actual marital status.
- H. It is extremely difficult for you to predict which tax bracket you may fall into in the future, particularly when drawing down from/selling your investments (such as in retirement). For example, by selling a security at a loss now, you are effectively resetting the cost basis of that investment lower. If capital gains or ordinary income tax rates rise, the future tax liability caused by selling the investment with a lower cost basis in the future could be greater than the benefit realized by harvesting the loss now (including any compounding benefit from the tax deferral). You can also push yourself into a higher future tax bracket by embedding large capital gains into your investments from harvesting. In this case, the gains triggered through the sell down of your securities may increase your income and, subsequently, your marginal tax rate. Thus, you may subtract financial value by having inadvertently pushed your future tax rate higher without realizing the full benefit of the harvesting process. This uncertainty represents a risk. However, if tax rates are lower during portfolio liquidation, the harvesting benefit might improve.
- I. Due to the manner in which we calculate the Tax Loss Harvesting Threshold, from time-to-time and dependent upon market conditions, we will sell individual tax lots held at a gain while attempting to perform tax loss harvesting in your Taxable Advised Accounts if the price of a Harvestable Security rises between the time we decide to harvest a loss and when the trades are executed in the market or and we are unable to complete all of the recommended harvesting transactions. Notwithstanding the foregoing, however, the overall harvesting activity in a particular Harvestable Security on a particular trading day should result in an overall loss across all of the tax lots sold in that security even if we do sell some tax lots at a gain, unless the available market price of that Harvestable Security rises more than 5% between the time we decide to harvest a loss and when the trades are executed in the market. If we do sell individual tax lots of a Harvestable Security at a gain, though, those gains will need to be offset by harvested losses which will reduce the amount of harvested losses available to offset other realized gains from your Taxable Advised Accounts, or elsewhere in your investment portfolios or other capital assets such as real estate. Finally, other trades executed by us in your Advised Accounts (such as a full rebalance, partial rebalance, or trades to withdraw fees or cash) are not performed utilizing the logic of the Tax Loss Harvesting Threshold. Accordingly, other trades occurring in your Advised Accounts that are not tax loss harvesting trades may occur at either a de minimis loss or gain depending on market conditions.
- J. The frequent sale and repurchasing of investments may result in disqualification of qualified dividend treatment. Qualified dividends are taxed at capital gains rates and unqualified dividends are taxed at ordinary income rates. In order to obtain qualified dividend treatment and receive the lower capital gains tax rate, you must satisfy a minimum holding period (mutual fund shares must be held for at least 61 days of the 121-day period which began at least 60 days before the ex-dividend date of the security). The transactional activity associated with harvesting losses in Harvestable Securities, i.e., buying Vanguard Replacement ETFs and then switching back to our Lead Vanguard Equity Index ETFs, could result in you being unable to meet the required holding period for certain ETFs you own. The resultant increased tax burden from having to treat any dividends from these ETFs as unqualified may erode the benefit of frequently harvesting during the TLH process.
- K. After offsetting any capital gains and ordinary income, you may have residual capital losses that carry forward indefinitely. If

you carry forward large amounts of losses (beyond realized gains and the ordinary income offset), you may not have an opportunity to use them up in future tax years. Though there are no penalties associated with carrying losses forward, you may be incurring the risks set forth in items A through H, above, without obtaining the primary benefits of tax loss harvesting. You should unenroll from the TLH Service if you believe that you have too many residual capital losses.

III. DESCRIPTION OF TLH SERVICE

A. **Review of Taxable Advised Accounts for Tax Loss Harvesting Opportunities**

The TLH Service will conduct a periodic review of your Taxable Advised Accounts to identify Tax Loss Harvesting Opportunities in any Harvestable Securities that exceed our Tax Loss Harvesting Threshold.

B. **Selling Harvestable Securities that exceed our Tax Loss Harvesting Threshold**

Subject to the limitations below in Section III.E., once we've identified that a Harvestable Security is held in a Taxable Advised Account that satisfies our Tax Loss Harvesting Threshold, on any business day when the U.S. securities markets are open for trading we will generate trade orders to sell the Harvestable Security unless (i) we are scheduled to perform other trading in your Brokerage Advised Accounts (such as a fee withdrawal, periodic rebalancing, etc.); (ii) you have open and unsettled trades pending in your Taxable Advised Accounts; (iii) we determine that the sale of the Harvestable Security will result in a Wash Sale; (iv) or we determine that it is not prudent to conduct tax loss harvesting on a trading day because of excessive market volatility, price dislocation, or technical issues pursuant to our trading policies and procedures. Any losses that are harvested will then be available to you to offset potential capital gains generated in your Taxable Advised Accounts or elsewhere in your investment portfolios or other capital assets such as real estate. We do not monitor your Brokerage Advised Accounts or your tax situation generally to determine whether you have short- or long-term capital gains that require offsetting by losses; we simply harvest losses as they arise in your Taxable Advised Accounts.

In assessing whether the potential sale of a Harvestable Security may result in a Wash Sale, we will analyze the trading activity occurring in your Brokerage Advised Accounts 30 days prior to the date of the proposed harvesting transaction to determine whether you previously purchased the same securities (including different share classes of the same fund) in those Brokerage Advised Accounts.

C. **Reinvestment of proceeds from sale of Harvestable Securities and ongoing Wash Sale monitoring**

Subject to the limitations below in Section III.E., the TLH Service may generate a buy order to replace the Harvestable Security sold by us with a Vanguard Replacement ETF that VAI reasonably believes is not Substantially Identical for U.S. federal income tax purposes, or we may decide to utilize the proceeds of sale of a Harvestable Security in order to perform a rebalance in your Brokerage Advised Accounts.

It is important that you maintain certain settings you consented to upon enrollment in the Service to avoid Wash Sales, in particular, your dividend and capital gains reinvestment options should remain set to cash for your Brokerage Advised Accounts at the account level so that any securities later purchased in or transferred to your Brokerage Advised Accounts will use that option.

The Vanguard Replacement ETFs that we purchase will be held in your Taxable Advised Accounts at least as long as required to satisfy the Wash Sale period. We may sell a Vanguard Replacement ETF if we identify a new Tax Loss Harvesting Opportunity in such Vanguard Replacement ETF, or if a sale is otherwise recommended by the Service.

D. **Putting tax loss harvesting to work for you**

Primarily, our tax loss harvesting strategy can add value in the form of reduced income taxes when harvested losses are used to lower a tax bill by offsetting realized capital gains that you accrued from your Taxable Advised Accounts, or elsewhere in your investment portfolios or other capital assets such as real estate over the course of a tax year. Then, if there are any remaining losses, or if there were no capital gains realized in that tax year, you can offset up to \$3,000 of ordinary income. If any harvested losses remain after offsetting realized capital gains and ordinary income, they can be carried forward indefinitely to be used in future tax years. Of course, the treatment of capital gains and losses, including the ability to offset gains with losses, is subject to current tax provisions. Please see IRS Publication 550, Investment Income and Expense for additional information.

<https://www.irs.gov/publications/p550>.

Additionally, the strategy may increase your returns where those tax savings are reinvested, assuming those additional investments experience compounding growth in the markets over time.

E. Wash Sale Monitoring Limitations

We are not able to assess or monitor any activity occurring in (i) any employer sponsored retirement plan accounts held by you even if such accounts are enrolled in and advised by the Service; or (ii) any accounts held outside of the Brokerage Advised Accounts by you, your spouse or partner, or by the accounts of entities controlled by you or your spouse or partner, including any non-Advised Accounts linked to your financial plan for goal projections, for IRS Wash Sale rule compliance.

Before enrolling in the TLH Service, it is critical that you understand which securities will be Harvestable Securities, Vanguard Replacement ETFs and Lead Vanguard Equity Index ETFs in the Taxable Advised Accounts to ensure that there has not been any purchase activity in those securities held outside of your Brokerage Advised Accounts, by you, your spouse or partner, or by the accounts of entities controlled by you or your spouse or partner that could violate the IRS Wash Sale rules in the event you direct us to engage in tax loss harvesting in your Taxable Advised Accounts.

Additionally, if your Brokerage Advised Accounts include a joint account, other accounts owned by the other joint account owners will not be monitored even if the joint account owner has separately enrolled accounts in a Service unless accounts are enrolled collectively in the Service's Enhanced Household option. However, unless the other account holders are your spouse or partner, then activity in those accounts will not impact your IRS Wash Sale rule compliance.

Therefore, because the TLH Service will only monitor the Brokerage Advised Accounts, it is important for you to monitor your other accounts and to consult with your tax advisor regarding the impact of the Wash Sale rules on your overall investment activity. If you hold a greater proportion of your investments in accounts outside of the Brokerage Advised Accounts, such as in employer sponsored retirement plan accounts held by you, the burden placed on you to monitor those accounts for Wash Sale rule compliance may outweigh the benefits of enrolling in the TLH Service; in such circumstance you should carefully consider whether enrollment in the TLH Service is right for you.

Even though we will monitor your Brokerage Advised Accounts for compliance with the Wash Sale rules, there are times when the requirements of prudent investment methodology will dictate that we undertake transactions that may cause a Wash Sale. Additionally, while overseeing your Advised Accounts, we may conduct trading that results in a Wash Sale. For example, during the course of enrolling a new client in the Service, we may decide to sell a client's existing bond funds held in a Taxable Advised Account in order to buy the same bond funds in a tax-deferred account pursuant to our asset location methodology. If the bond funds were sold at a loss and re-purchased within 30 days of the sale, the transactions will result in a Wash Sale. In this example, though, we believe that the benefits of asset location outweigh the impacts of the Wash Sale. Additionally, it is possible that Wash Sales could occur if there are no available or additional Lead Vanguard Equity Index ETFs or Vanguard Replacement ETFs that are available for purchase to achieve your target asset allocation due to prior trading resulting in the purchase of a security resulting in a Wash Sale. Additionally, subject to certain limitations described in the Service Brochure under "Methods of analysis, investment strategies, and risk of loss -- Considering tax efficiency in allocating assets", we will also seek to avoid Wash Sales of other Vanguard Funds subject to the availability to invest in an appropriate replacement security. You can consult Appendix A to the Service Agreement between you and VAI for the complete list of funds that may be purchased.

IRS rules require taxpayers to report Wash Sales. We are only responsible, however, for reporting Wash Sales that occur in the same security held in the same account. You will be responsible for accurately reporting all other Wash Sales occurring within and outside of your Brokerage Advised Accounts. For example, if we harvest a loss in your Taxable Advised Account but thereafter cause a Wash Sale to occur in another Brokerage Advised Account, you will be responsible for reporting that Wash Sale to the IRS.

F. Definitions

1. Harvestable Securities: Harvestable Securities will include the following list of Vanguard Equity ETFs held in a Taxable Advised Account:

Vanguard ETFs that are Harvestable Securities

Name	Ticker
Vanguard Total Stock Market ETF	VTI US
Vanguard S&P 500 ETF	VOO US
Vanguard FTSE Developed Market	VEA US
Vanguard FTSE Emerging Markets	VWO US
Vanguard Value ETF	VTV US
Vanguard Growth ETF	VUG US

<u>Vanguard Dividend Appreciation ETF</u>	VIG US
<u>Vanguard Real Estate ETF</u>	VNQ US
<u>Vanguard Mid-Cap ETF</u>	VO US
<u>Vanguard High Dividend Yield ETF</u>	VYM US
<u>Vanguard Small-Cap ETF</u>	VB US
<u>Vanguard FTSE All-World ex-U.S. ETF</u>	VEU US
<u>Vanguard Information Technology ETF</u>	VGT US
<u>Vanguard Total International Stock ETF</u>	VXUS US
<u>Vanguard Small-Cap Value ETF</u>	VBR US
<u>Vanguard FTSE Europe ETF</u>	VGK US
<u>Vanguard Total World Stock ETF</u>	VT US
<u>Vanguard Mid-Cap Value ETF</u>	VOE US
<u>Vanguard Small-Cap Growth ETF</u>	VBK US
<u>Vanguard Health Care ETF</u>	VHT US
<u>Vanguard Extended Market ETF</u>	VXF US
<u>Vanguard Financials ETF</u>	VFH US
<u>Vanguard Mid-Cap Growth ETF</u>	VOT US
<u>Vanguard Global ex-U.S. Real Estate ETF</u>	VNQI US
<u>Vanguard FTSE All World ex-U.S. Small-Cap ETF</u>	VSS US
<u>Vanguard Consumer Staples ETF</u>	VDC US
<u>Vanguard Mega Cap Growth ETF</u>	MGK US
<u>Vanguard Utilities ETF</u>	VPU US
<u>Vanguard FTSE Pacific ETF</u>	VPL US
<u>Vanguard Industrials ETF</u>	VIS US
<u>Vanguard Energy ETF</u>	VDE US
<u>Vanguard Russell 1000 Growth ETF</u>	VONG US
<u>Vanguard Consumer Discretionary ETF</u>	VCR US
<u>Vanguard S&P 500 Growth ETF</u>	VOOG US
<u>Vanguard Mega Cap Value ETF</u>	MGV US
<u>Vanguard Communication Service ETF</u>	VOX US
<u>Vanguard Russell 1000 Value ETF</u>	VONV US
<u>Vanguard Mega Cap ETF</u>	MGC US
<u>Vanguard Materials ETF</u>	VAW US
<u>Vanguard Russell 2000 ETF</u>	VTWO US
<u>Vanguard International Dividend Appreciation ETF</u>	VIGI US
<u>Vanguard International High Dividend Yield ETF</u>	VYMI US
<u>Vanguard Russell 1000 ETF</u>	VONE US
<u>Vanguard S&P 500 Value ETF</u>	VOOV US
<u>Vanguard S&P Small-Cap 600 ETF</u>	VIOO US
<u>Vanguard S&P Mid-Cap 400 ETF</u>	IVOO US
<u>Vanguard S&P Mid-Cap 400 Value ETF</u>	IVOV US
<u>Vanguard S&P Mid-Cap 400 Growth ETF</u>	IVOG US
<u>Vanguard ESG U.S. Stock ETF</u>	ESGV US
<u>Vanguard ESG International Stock ETF</u>	VSGX US
<u>Vanguard S&P Small-Cap 600 Value ETF</u>	VIOV US
<u>Vanguard S&P Small-Cap 600 Growth ETF</u>	VIOG US

Vanguard Russell 2000 Growth ETF	VTWG US
Vanguard Russell 2000 Value ETF	VTWV US
Vanguard U.S. Multifactor ETF	VFMF US
Vanguard U.S. Minimum Volatility ETF	VFMV US
Vanguard U.S. Value Factor ETF	VFVA US
Vanguard U.S. Liquidity Factor ETF	VFLQ US
Vanguard U.S. Momentum Factor ETF	VFMO US
Vanguard U.S. Quality Factor ETF	VFQY US

We will not attempt to harvest losses in the Vanguard Large-Cap ETF (ticker symbol VV) or the Vanguard Russell 3000 ETF (ticker symbol VTHR).

2. **Lead Vanguard Equity Index ETFs:** Our [Lead Vanguard Equity Index ETFs](#) are VTI and VXUS for a total market index investment setting and the equity index exposure within an active/index investment setting. Our Lead ETFs are ESGV and VXUS for an environmental, social, and governance investment setting.
3. **Brokerage Advised Accounts:** The taxable and tax advantaged accounts enrolled by you in the Service where investments are made by us to maintain your target allocations except for any employer sponsored retirement plan accounts held by you even if such accounts are enrolled in and advised by the Service. These include any brokerage accounts enrolled as part of the Service's Enhanced Household option. Please note that the Service is unable to assess or monitor any activity occurring in any employer sponsored retirement plan accounts held by you for IRS [Wash Sale](#) rule compliance, and these accounts will not be considered as part of the defined term [Brokerage Advised Accounts](#) used in this Addendum.
4. **Substantially Identical securities:** The IRS [Wash Sale](#) rules apply not only to purchases of [Substantially Identical](#) securities within the same account, but also to purchases of [Substantially Identical](#) securities acquired in other accounts owned or controlled by you or your spouse or partner, including tax-deferred accounts such as IRAs and 401ks. Additionally, accounts owned by your spouse, partner or by entities you own or control are also subject to the IRS [Wash Sale](#) rules. It is your obligation to accurately report on your tax return your capital gains and losses realized during a year, taking into account any [Wash Sales](#) that occurred in your overall investment portfolio that year. Further, it is not entirely clear under current tax law what constitutes a [Substantially Identical](#) security for purposes of the [Wash Sale](#) rules, particularly in the context of passively managed index ETFs.
5. **Taxable Advised Accounts:** The taxable accounts enrolled by you in the Service where investments are made by us to maintain your target allocation.
6. **Tax Loss Harvesting Opportunity:** A tax loss harvesting opportunity exists when the market price of a [Harvestable Security](#) or a [Vanguard Replacement ETF](#) held in a [Taxable Advised Account](#) is less than the cost basis of that security. We will use lot level accounting to search for individual lots of your [Harvestable Securities](#) or [Vanguard Replacement ETFs](#) that may be held at a loss.
7. **Tax Loss Harvesting Threshold:** The tax loss harvesting threshold is a test used by us to determine when to attempt to sell a [Harvestable Security](#) or a [Vanguard Replacement ETF](#). In order to assess the threshold, we compare the individual tax lot prices of your [Harvestable Securities](#) or [Vanguard Replacement ETF](#) against the prior day's closing market price for that security. If we believe that you may hold individual tax lots of a [Harvestable Security](#) or [Vanguard Replacement ETF](#) at a loss, we will harvest those tax lots of a particular [Harvestable Security](#) or [Vanguard Replacement ETF](#) if (i) our analysis shows that the aggregate loss to be experienced from the sale of the tax lots for that security should be equal to or greater than 5% of the original aggregate cost of those tax lots (subject to fluctuations in market price occurring at the time a trade is executed), (ii) the sum of all tax lots of the security to be harvested will comprise a sell trade that is \$500 or more, and (iii) the sum of all anticipated losses to be generated from the sale of a [Harvestable Security](#) or a [Vanguard Replacement ETF](#) is expected to represent at least 0.5% of the long market value of your entire position in such [Harvestable Security](#) or [Vanguard Replacement ETF](#).
8. **Vanguard Replacement ETF:** The TLH Service employs a proprietary methodology that evaluates all Vanguard ETFs for their degree of similarity to one another and that we reasonably believe selects [Vanguard Replacement ETFs](#) that, while similar, would not be considered [Substantially Identical](#) to a Vanguard ETF sold at a loss. Our methodology incorporates a variety of factors, including the different ETF indices being tracked by different funds, expected fund performance, degree of fund holdings overlap, and other differences, such as expense ratios. However, there can be no guarantee that the IRS will agree with our assessment. It is possible that, despite differences in the two funds, the IRS will consider the [Vanguard Replacement ETF](#) to be a [Substantially Identical](#) security and will seek to defer harvested losses under the IRS [Wash Sale](#) rules. Because of this, it is important to consult your own tax advisor and make your own determination about whether the losses harvested and subsequent purchases both inside and outside your [Brokerage Advised Accounts](#) constitute a [Wash Sale](#). You should not rely on our determination regarding whether a [Vanguard Replacement ETF](#) constitutes a [Substantially Identical](#) security and we make no representation regarding whether the [Vanguard Replacement ETFs](#) selected for a given Vanguard ETF constitute a [Substantially Identical](#) security for purposes of the IRS wash sale rules.

The following are **Vanguard Replacement ETFs**:

Name	Ticker
Vanguard Total Stock Market ETF	VTI US
Vanguard S&P 500 ETF	VOO US
Vanguard FTSE Developed Market	VEA US
Vanguard Value ETF	VTV US
Vanguard Growth ETF	VUG US
Vanguard Extended Market ETF	VXF US
Vanguard Total International Stock ETF	VXUS US
Vanguard Mega Cap Value ETF	MGV US
Vanguard Mega Cap Growth ETF	MGK US
Vanguard Russell 1000 ETF	VONE US
Vanguard Small-Cap ETF	VB US
Vanguard FTSE All-World ex-U.S. ETF	VEU US
Vanguard FTSE Europe ETF	VGK US
Vanguard FTSE Pacific ETF	VPL US
Vanguard FTSE Emerging Markets ETF	VWO US

9. **Wash Sale**: The TLH Service is designed so that where a loss is harvested in your account, it should not be considered a **Wash Sale** for U.S. federal income tax purposes. In general, the IRS **Wash Sale** rules provide that where a sale or other disposition of shares of securities result in a loss for an investor, that loss is disallowed if the investor has acquired (including through an issuer's dividend reinvestment program) **Substantially Identical** securities within a 61-day period beginning 30 days before the date of the sale and ending 30 days after the sale. If you acquire **Substantially Identical** replacement shares, the loss would be deferred or, in some cases, disallowed entirely. A full discussion of the IRS **Wash Sale** rules is beyond the scope of this disclosure.

By clicking "Confirm" to accept these terms, you are (i) agreeing to participate in the TLH Service, (ii) acknowledging receipt of this disclosure document containing the terms, limitations and risks of participating in the TLH Service which will become an Addendum to Your Service Agreement for Vanguard discretionary advice services, (iii) agreeing and consenting to investment in **Lead Vanguard Equity Index ETFs** and **Vanguard Replacement ETFs**, including in the event these ETFs decrease their fund fee and expenses. If you have an enrolled joint account or in the Enhanced Household Service, you are accepting this on behalf of any other account owner (s).

You may revoke your consent to participate in the TLH Service at any time by changing your election on your "Profile".