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Valley Forge, PA 19482-2600

610-669-1000

February 28, 2008

Ms. Nancy M. Morris
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Investment Companies, Release Nos. 33-8861; IC-28064; File No. S7-28-07

Dear Ms. Morris:

Vanguard¹ strongly supports the Commission's initiative to improve mutual fund disclosure through the "Summary Prospectus" rule (Proposed Rule), and we appreciate the opportunity to provide our comments to you. The millions of people who rely on mutual funds for saving and investing have resoundingly declared that fund prospectuses are too long and detailed to be useful.² To make intelligent investment decisions, investors need concise information presented in a consistent order by all fund complexes. The widespread use of mutual funds as the investment vehicle of choice and the rapid adoption of the Internet as the information source of choice provide the right environment for the Commission to use technology to improve the presentation and distribution of mutual fund disclosure. The Proposed Rule would make fundamental mutual fund disclosure relevant, readable, and electronically retrievable.

We believe the interests of mutual fund investors are best served when all funds present comparable information in a simple and usable format. The Proposed Rule is a major regulatory step that will advance these objectives in several important ways.

First, the Proposed Rule allows investment companies to provide investors with the most useful fund information in a handy and usable format instead of a lengthy prospectus that they have to wade through for the essential disclosures they need. As one of the largest fund complexes in the country and an Internet pioneer, Vanguard has compiled a wealth of information regarding investor behavior. Our data, confirmed by industry-wide research, demonstrate that investors consistently rely on a handful of key facts in making

¹ The Vanguard Group, Inc. ("Vanguard") offers more than 150 U.S. mutual funds with assets of approximately \$1.2 trillion. We serve approximately 19 million shareholder accounts.

² *Understanding Investor Preferences for Mutual Fund Information*, Investment Company Institute (ICI), August, 2006, pp. 22-26

investment decisions, and that they prefer simple language and graphic presentations.³ We have long advocated plain English and simplicity in our own communications with shareholders, and believe that investors will be well-served by a thoughtfully designed, simple disclosure document that they can use to make well-informed decisions.

Second, the Proposed Rule appropriately harnesses the Internet, now the dominant source of consumer information of all kinds. Internet technology allows investors to tailor their investment research, from headlines to fine print. Vanguard has been in the forefront of using the Internet to communicate with investors. In 13 years of online experience, we have witnessed investors' increasing willingness to research mutual funds, buy shares, and keep track of their accounts over the Internet; in fact, more than 85% of our client contacts now occur online. Every day, new and better Internet-based tools appear that offer people the ability to evaluate, compare, and select funds. We agree with the Commission's decision to incorporate the Internet as part of a modernized mutual fund disclosure model.

Third, the Proposed Rule's structure for distribution of key information about funds addresses the drawbacks of earlier disclosure reforms. Delivery of the Summary Prospectus with the full statutory prospectus available online and on paper at the investor's choice removes some of the obstacles that limited the industry's use of the Profile Prospectus.

Making a Good Idea Better

A useful, usable disclosure document coupled with today's technology can significantly improve the investment experience for mutual fund investors, and the Proposed Rule should be designed to deliver the benefits of the Summary Prospectus to as many people as possible. To that end, the Commission should remove the obstacles to widespread adoption of the Summary Prospectus and rethink the content to maximize its relevance. We respectfully suggest that the Commission consider the following changes to the Proposed Rule, which we believe will both improve the Summary Prospectus itself and broaden its appeal to fund sponsors and their intermediaries.

- First, Vanguard believes that the Commission should do all it can to maximize funds' adoption of the Summary Prospectus. Subject to eliminating quarterly updating, we recommend making the Summary Prospectus mandatory as the best means of providing the benefits of focused disclosure to every fund buyer. Investors will be best served if fund disclosure is consistent and comparable across all funds, which is possible only if delivery of the Summary Prospectus, together with the online availability of additional information,⁴ becomes the new standard.

³ Id.

⁴ We share the concerns expressed by the ICI in its comment letter dated February 28, 2008 (the ICI Comment Letter), regarding the ability of the industry to maintain active links in e-mails and documents

- Second, we recommend that the Commission eliminate the requirement to update top ten holdings and fund performance. The quarterly obligation to create, file, print, warehouse, and deliver a new Summary Prospectus with updated performance and top ten holdings has already emerged as a focal point of opposition to the Proposed Rule. It would be unfortunate if a requirement that adds so little value becomes the reason that fund companies reject the Summary Prospectus.
- Third, we recommend that the Commission revise the content and order of presentation to enhance the utility of the Summary Prospectus. The basic disclosures mandated in Items 1 and 2 of Form N-1A have remained essentially unchanged. The Commission should take this opportunity to modernize both the substance and the format of basic mutual fund disclosure. The information should be reorganized in a way that reflects how investors think about funds. Graphic information about the fund's overall characteristics should replace less relevant items such as top ten holdings and portfolio manager data.
- Fourth, the Commission should permit fund companies to integrate the disclosure of multiple investment portfolios into one Summary Prospectus in limited circumstances when logical to do so. Variable annuity funds should be permitted to bind the Summary Prospectus to Form N-4. This is needed flexibility that will help fund companies better serve investors.

The following is a more detailed explanation of each of our four recommendations.

I. Make the Summary Prospectus Mandatory

Vanguard believes the adoption of the Summary Prospectus should be mandatory⁵ to ensure that all investors get the benefits of the new disclosure model and to establish the Summary Prospectus as an effective disclosure document. As currently drafted, the Proposed Rule permits, but does not require, use of the Summary Prospectus. Some funds, advisors, and intermediaries may decide that, regardless of the benefits to investors, they do not want to use the Summary Prospectus, whether because of quarterly updating, fear of liability under the untested Proposed Rule, the inability to combine like funds in a single document, or the prohibition against binding it with an application. If,

saved by investors. To maximize the industry's use of the Summary Prospectus, we encourage the Commission to permit links in these documents to bring investors to the most-current version of the disclosure documents.

⁵ For extremely small fund companies unable to shoulder the administrative and monetary burdens associated with the Proposed Rule, the Commission could provide a limited and transitional exception, comparable to the exception afforded to small fund companies when the EDGAR rules were adopted. See Securities Act Release No. 6944; Release No. IC-18863 (July 23, 1992).

as we believe, the redesigned Summary Prospectus is better for investors, then the Proposed Rule should ensure that all investors receive it and clearly establish its place within the Commission's disclosure regime.⁶

Moreover, inconsistent use of the Summary Prospectus could actually create confusion and make the Summary Prospectus less useful, even for those funds and shareholders who use it. Under the Proposed Rule, some funds will use the Summary Prospectus and others will not. Such inconsistent use of the Summary Prospectus is likely to confuse investors. Use of the Summary Prospectus by some funds and not by others certainly makes comparison of funds more difficult for investors, as the contents of the Summary and statutory prospectus may differ (particularly if the Summary Prospectus must be updated quarterly).⁷ Optional use of the Summary Prospectus also complicates the collection and presentation of information in Internet-based fund comparison tools because the information would have to be collected from multiple types of forms.

Finally, optional use of the Summary Prospectus inevitably will lead to a two-tier disclosure system that will create disincentives for fund companies to embrace the Summary Prospectus.⁸ Mandatory use of the Summary Prospectus guarantees uniform adoption of the Commission's multi-layered disclosure regime, which in turn maximizes the benefits to investors. With the changes we suggest below, mandatory use of the Summary Prospectus will deliver the most benefit to the most investors.

In proposing the new Rule, the Commission has made a determination that investors are better served by selected information and that the legal obligation to deliver a prospectus can be satisfied by delivering that selected information. Investors may then immediately access the statutory prospectus or request greater detail. Permitting funds to provide a less user-friendly disclosure document dilutes the Commission's initiative.

⁶ Vanguard does not believe investors should be able to permanently opt-out of receiving Summary Prospectuses. The Summary Prospectus is a dramatic improvement for investors, and to ensure that the industry has a consistent approach to disclosure, the Summary Prospectus should be the rule. Permitting permanent opt-outs would add to the complexity of recordkeeping that funds and intermediaries would have to manage. Those investors who prefer the statutory prospectus – and research and experience tell us they are few in number – can retrieve it from the Internet or request a hard copy by mail.

⁷ Vanguard opposes the quarterly updating requirement of the Proposed Rule primarily for this reason. We recognize that, even today, fund disclosures are published and filed as of different quarter- and year-end periods by different funds; but the issue is not whether the Proposed Rule is any worse than the current rule. The question is whether the Commission uses this opportunity to improve the current disclosure rules by encouraging consistency, rather than perpetuating or exacerbating existing problems.

⁸ We share the concerns expressed in the ICI Comment Letter regarding the potential for the industry to experience an increase in litigation as a result of the inability, or unwillingness, of courts to resolve Section 12 lawsuits on a motion to dismiss, which may be exacerbated by optional usage of the Summary Prospectus.

II. Eliminate Quarterly Updating of the Summary Prospectus

Vanguard recommends that the Commission eliminate the requirement that the Summary Prospectus be updated every calendar quarter with quarter-end performance figures and top ten holdings.⁹ We are concerned that the benefits—if any—of quarterly updating are minor at best, yet the requirement has already emerged as a significant impediment to widespread adoption of the Summary Prospectus.¹⁰ Quarterly updating of top ten holdings and performance data in a Summary Prospectus provides no material benefit for shareholders. Investors who seek quarterly performance or top ten holdings information may find it easily on a fund's website or by contacting the fund company. We believe a list of top ten holdings, updated quarterly, is not meaningful information because it fails to provide insight into a fund's diversification, concentration, turnover rate, or investment discipline.

Quarterly updating may well be the single largest stumbling block to general acceptance of the Summary Prospectus. It adds complexity and expense, detracts from clarity, and creates an undesirable emphasis on short-term results, all without providing clear benefits.

III. Consider Changes to the Content and Order of Presentation

Vanguard agrees that the Commission should mandate the content and the order in which it is presented in the Summary Prospectus. The presentation of common content in a set order will promote consistency and comparability of information. We recommend that the Commission take this opportunity, however, to consider the potential benefits of a different order and content for this basic disclosure document.

Our experience serving investors directly informs our view of what an effective summary disclosure document should convey and how it should be organized. Investors need three fundamental pieces of information to begin their consideration of a fund:

- What kind of fund is this—what does this fund invest in?
- How well has the fund performed over the long term, and how much risk is incurred in seeking that performance?
- How much will it cost to buy shares of the fund, and what are the ongoing expenses that will come from its returns?

⁹ As discussed in more detail below, Vanguard recommends that the Commission eliminate top ten holdings as a disclosure item and replace it with more meaningful portfolio characteristics.

¹⁰ Funds are already required to prepare and file annual prospectus updates, annual shareholder reports, and semi-annual shareholder reports. Imposing a quarterly updating requirement on the Summary Prospectus would compound an already-complex process, which requires multiple disclosure filings by each fund with the Commission each year. Given the large number of funds that are distributed through broker-dealers, the additional complexity associated with quarterly updating in that segment of the market will have a large impact on the ultimate uptake of the Summary Prospectus.

With these facts in hand, investors are likely to consider, in this order of importance, the identity of the investment advisor, distributions and taxes, how to purchase and redeem shares, and financial intermediary compensation. We do not believe that top ten holdings or individual portfolio manager names are useful enough to investors to merit inclusion in a streamlined disclosure document. We believe, therefore, that the truly useful Summary Prospectus would be better organized as follows:

- Investment Objective, Principal Strategies, and Key Fund Characteristics belong together; top ten holdings should be moved to the Internet

We believe that the Summary Prospectus will be more useful if it begins with an overview of the fund, which presents, in order, the investment objective, principal strategies, and key fund characteristics. The investment objective tells an investor what the fund intends to do. The primary investment strategies put the objectives into context by describing the types of instruments and market segments that the fund invests in—domestic or international, equities or fixed income, small-, mid-, or large-capitalization companies, growth stocks or value stocks, etc. Combining the objective and the strategies is logical and provides a quick overview of a fund. The overview would be further enhanced if it were followed by graphs and tables displaying a few key fund characteristics.¹¹

Top ten holdings, on the other hand, could be made available online, and should not be included in the Summary Prospectus. Top ten holdings, without additional content, is simply not relevant enough for most funds to merit inclusion in a streamlined disclosure document. Characteristics such as asset concentration in top ten holdings, sector diversification, and percentage of international holdings give a much better picture of the fund.

¹¹ The Commission itself has endorsed the use of graphical presentation of information when it required fund complexes to use such presentations in annual shareholder reports. See, e.g., Final Rule: Shareholder Reports and Quarterly Portfolio Disclosure of Registered Management Investment Companies Release Nos. 33-8393; 34-49333; IC-26372; File No. S7-51-02. The Commission's revisions to the portfolio disclosure rules were motivated in part by a desire to eliminate the detailed, one-size fits all approach, and provide investors with disclosure that describes the fund's principal holdings, to help them better understand the portfolio's strategies and risks. Shareholders buy a fund for a certain set of portfolio characteristics, not its top ten holdings, and of course, fund characteristics will vary depending on the type of fund. For most equity funds, a tabular presentation of fund holdings by industry sector is useful, along with the number of stocks, median market capitalization, and portfolio turnover rate. For fixed income funds, we recommend a chart showing the sector breakdown, along with average maturity and yield to maturity. Examples can be found in Vanguard's attached sample Summary Prospectuses.

- Performance and Risks belong together, and should follow Investment Objective, Principal Strategies, and Key Fund Characteristics

Having determined what kind of investment a fund represents, an investor logically wants to know what kind of returns to expect from a fund, especially if the fund is to be compared with other similar funds. Past performance is not a reliable predictor of future returns, but a fund's performance history is nonetheless an important factor in most investors' decision-making process. Furthermore, a long-term view of a fund's performance can provide insight into the quality of its management. Performance, however, is not achieved without risk. A description of the types of risks associated with the returns puts performance into context. Accordingly, we believe that performance data and a description of a fund's principal risks should follow the objective, strategies, and key fund characteristics.

- Portfolio turnover should be disclosed

We support the Commission's position to include a brief statement about portfolio turnover. Portfolio turnover is an important consideration before investing,¹² as it has the propensity to limit a fund's returns. Turnover information more appropriately could be included in the key characteristics of the fund, rather than associated with the fee table.

- Identify the fund's investment advisor, but not each portfolio manager

In many cases a fund's investment advisor *is* the fund's "brand." Understandably, this information is important to investors and should be included in the Summary Prospectus. Notwithstanding the fact that some portfolio managers are well-known in some circles, most portfolio managers are not household names. Identifying these individuals in the Summary Prospectus would take up scarce space, but add little value to an investor's investment decision. For investors who are interested in this level of detail, the information is readily available online and in the statutory prospectus.

- Include disclosure of whether financial intermediaries are paid for distributing the fund, but permit funds to tailor the disclosure to suit their circumstances

We support the Commission's position that if a fund pays an intermediary for distribution, that fact should be disclosed to investors. Investors deserve to know that a financial intermediary is compensated for recommendations relating to fund investments. The Commission, however, should permit those fund complexes

¹² We do not, however, believe that portfolio turnover is particularly useful information in the context of a money market fund.

that do not compensate financial intermediaries to tailor this disclosure accordingly, or to eliminate it entirely.

To recap, Vanguard's proposed Summary Prospectus would present information in this order:

Objective, Strategies, and Key Fund Characteristics
Performance and Risks
Fees and Operating Expenses
Investment Advisor
Taxes and Distributions
Summary of Purchase and Redemption Information
Financial Intermediary Compensation

We have attached to this letter examples of Summary Prospectuses for an equity fund and a bond fund that follow the format set forth above.

IV. Funds Should Be Permitted to Integrate the Disclosure of Certain Investment Portfolios into One Summary Prospectus; Variable Annuity Funds Should be Permitted to Bind the Summary Prospectus to Form N-4

In general, Vanguard does not object to the proposed requirement that the Summary Prospectus may not offer multiple funds, and may not be bound together with any other materials.¹³ In certain limited circumstances, however, an integrated Summary Prospectus may actually be a significant aid to investors, and more useful than numerous separate disclosure documents. This would be the case for funds that share similar investment objectives and vary only by degree or relative allocation based on the particular needs of general groups of investors. Target date or target risk retirement funds and various retirement income funds are good examples. These funds share a common approach and objective, and differ only according to a particular investor's retirement horizon or retirement income requirements. Investors looking at these funds would be far better served by a single Summary Prospectus that describes all of the funds as a group and identifies the important facts for choosing among them, rather than being forced to review a dozen or more substantially similar Summaries and trying to decipher the differences among them.

In the context of a variable annuity product, it is standard market practice in the industry to integrate the disclosure of multiple portfolios in the prospectus, as most investors contemplating the purchase of a variable annuity contract want to see all of the underlying portfolios in which they can invest. Requiring each underlying portfolio to be set forth in its own Summary Prospectus would frustrate investors who wish to survey their available investment options when buying an annuity. Variable annuity

¹³ We agree with the ICI's observation that requiring the Summary Prospectus to have "greater prominence" than other documents with which it is mailed will be difficult to implement because the requirement is so vague.

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prospectuses should also continue to be bound to Form N-4. In the variable annuity business, the insurance company providing the annuity prepares Form N-4, which offers the annuity contract, and the form is then bound to Form N-1A. We do not believe it is in the best interest of investors to separate these two forms, as investments in the underlying insurance fund portfolios can only be made if the investor has purchased an annuity contract. For this reason, we believe it makes more sense to bind these documents together.

Conclusion

Vanguard supports the Commission's initiative to improve mutual fund disclosure with a more meaningful basic disclosure document, coupled with online access to more detailed information. With a few minor, but important, changes we believe that the Proposed Rule and the Summary Prospectus can fulfill their potential to make useful information in a usable format broadly available to investors. We appreciate the opportunity to comment on the proposal. If you have any questions or require additional information, please contact Ari Gabinet, Principal, Securities Regulation at (610) 503-5663.

Sincerely,

/s/Mortimer J. Buckley
Managing Director, Retail Investor Group
Vanguard

cc: The Honorable Christopher Cox, Chairman
The Honorable Paul S. Atkins
The Honorable Kathleen L. Casey

Andrew J. Donohue, Director
Susan Nash, Associate Director
Division of Investment Management



Vanguard® Morgan™ Growth Fund

Summary Prospectus

(Investor and Admiral Shares)

February 28, 2008

Before you invest, you may want to review the Fund's prospectus, which contains more information about the Fund and its risks. You can find the Fund's prospectus and other information about the Fund online at [internet address]. You can also get this information at no cost by calling 800-662-7447 or by sending an email request to [email address]. The Fund's statutory prospectus, statement of additional information, and most recent shareholder reports are all incorporated into and made part of this Summary Prospectus by this reference.

Investment Objective

The Fund seeks to provide long-term capital appreciation.

Primary Investment Strategies

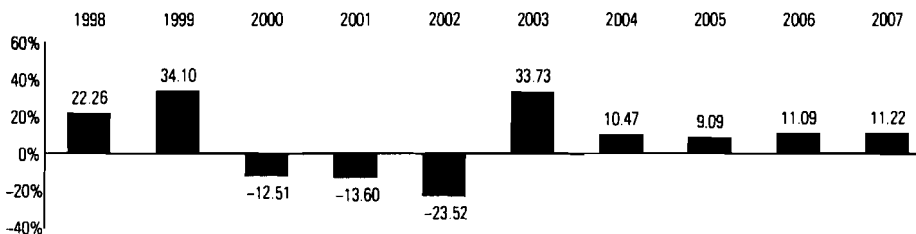
The Fund invests mainly in the stocks of mid- and large-capitalization U.S. companies whose revenues and/or earnings are expected to grow faster than those of the average company in the market. The Fund uses multiple investment advisors.

Key Fund Characteristics as of December 31, 2007

| Sector Diversification | % of Portfolio | Portfolio Characteristics | |
|----------------------------|----------------|---------------------------------|-------|
| Consumer Discretionary | 9.2% | Number of Stocks | 358 |
| Consumer Staples | 7.10 | Large Cap Growth | |
| Energy | 9.70 | Yield | |
| Financials | 6.30 | Investor Shares | 0.9% |
| Health Care | 15.60 | Admiral Shares | 1.0% |
| Industrials | 14.70 | Foreign Holdings | 7.1% |
| Information Technology | 29.20 | % of Assets in Top Ten Holdings | 17.1% |
| Materials | 4.80 | Portfolio Turnover Rate | 79% |
| Telecommunication Services | 2.10 | | |
| Utilities | 1.30 | | |

Annual Total Return—Investor Shares¹

The following bar chart shows the Fund's change in value over the past 10 years. It illustrates how returns can differ from one year to the next.



¹ The year-to-date return as of the most recent calendar quarter, which ended September 30, 2007, was 13.01%.

Average Annual Total Returns for Period Ended December 31, 2007

| | 1 Year | 5 Years | 10 Years |
|-----------------------------------------------------------------------------------|--------|---------|----------|
| Vanguard Morgan Growth Fund Investor Shares | | | |
| Return Before Taxes | 11.22% | 14.77% | 6.56% |
| Return After Taxes on Distributions | 9.56 | 14.25 | 5.27 |
| Return After Taxes on Distributions and Sale of Fund Shares | 8.48 | 12.87 | 5.15 |
| Vanguard Morgan Growth Fund Admiral Shares¹ | | | |
| Return Before Taxes | 11.36% | 14.95% | — |
| Russell 3000 Growth Index (reflects no deduction for fees, expenses, or taxes) | 9.46% | 3.02% | 5.34% |

¹ From the inception of the Fund's Admiral Shares on May 14, 2001, through December 31, 2007, the average annual total returns were 5.24% for the Admiral Shares and 2.45% for the Russell 3000 Growth Index.

Principal Risks

Stock market risk, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Investment style risk, which is the chance that returns from mid- and large-capitalization growth stocks will trail returns from the overall stock market. Historically, mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the overall market, and they often perform quite differently.

Manager risk, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective.

Fees and Expenses

| | Investor Shares | Admiral Shares |
|------------------------------------------------------------------------------------|------------------------|----------------|
| Total Annual Fund Operating Expenses (Expenses deducted from the fund's assets) | 0.37% | 0.21% |
| Shareholder Fees (Fees paid directly from your investment) | | |
| Sales Charge (Load) Imposed on Purchases | None | None |
| Purchase Fee | None | None |
| Sales Charge (Load) Imposed on Reinvested Dividends | None | None |
| Redemption Fee | None | None |
| Account Service Fee (for fund account balances below \$10,000) | \$20/Year ¹ | — |

¹ This fee is not applicable to all accounts. If applicable, the account service fee will be assessed by redeeming fund shares.

Investment Advisor

The Fund uses a multimanager approach. Each advisor independently manages its assigned portion of the Fund's assets, subject to the supervision and oversight of Vanguard and the board of trustees. The Fund's board of trustees designates the proportion of Fund assets to be managed by each advisor and may change these proportions at any time.

Wellington Management Company, LLP, 75 State Street, Boston, MA 02109.

Franklin Portfolio Associates, LLC, One Boston Place, Boston MA 02108.

Jennison Associates, LLC, 466 Lexington Avenue, New York, NY 10017.

The Vanguard Group, Inc., P.O. Box 2600, Valley Forge, PA 19482.

Dividends, Capital Gains, and Taxes

The Fund generally pays out its distributions (dividends and capital gains) annually in December. In addition, the Fund may occasionally be required to make supplemental distributions at some other time during the year. You can receive distributions of income or capital gains in cash, or you can have them automatically reinvested in more shares of the

Fund. Distributions are taxable to you for federal income tax purposes, whether or not you reinvest these amounts in additional Fund shares. A sale or exchange of Fund shares is a taxable event, which means you may have a capital gain to report as income, or a capital loss to report as a deduction, when you complete your federal income tax return. Dividend and capital gains distributions that you receive, as well as your gains or losses from any sale or exchange of Fund shares, may be subject to state and local income taxes.

Purchasing and Redeeming Shares

You may purchase or redeem shares of the Fund on any business day online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1100, Valley Forge, PA 19482-1110), or by telephone. Shares may be purchased by electronic bank transfer, by check, or by wire. You may receive redemption proceeds by electronic bank transfer or by check. you generally buy and redeem shares at a fund's next-determined NAV after Vanguard receives your request in good order. NAVs are determined only on days when the NYSE is open for regular trading.

Account Minimums

| | |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Investor Share – to open and maintain an account | \$3,000 |
| To add to an existing account | \$50 by Automatic Investment Plan; \$100 by check, exchange, wire, or electronic bank transfer (other than Automatic Investment Plan). |

Financial Intermediary Compensation

The Fund and its investment advisors do not pay financial intermediaries for sales of fund shares.

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Vanguard® Total Bond Market Index Fund

Summary Prospectus

(Investor and Admiral Shares)

February 28, 2008

Before you invest, you may want to review the Fund's prospectus, which contains more information about the Fund and its risks. You can find the Fund's prospectus and other information about the Fund online at [internet address]. You can also get this information at no cost by calling 800-662-7447 or by sending an email request to [email address]. The Fund's statutory prospectus, statement of additional information, and most recent shareholder reports are all incorporated into and made part of this Summary Prospectus by this reference.

Investment Objective

The Fund seeks to track the performance of a broad, market-weighted bond index.

Primary Investment Strategies

The Fund employs a "passive management"—or indexing—investment approach designed to track the performance of the Lehman Brothers U.S. Aggregate Bond Index. The Fund invests by *sampling* the Index, meaning that it holds a range of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund's investments will be selected through the sampling process, and at least 80% of the Fund's assets will be invested in bonds held in the Index.

Key Fund Characteristics as of December 31, 2007

| Sector Diversification | (% of Portfolio) | Portfolio Characteristics | |
|----------------------------|------------------|--------------------------------------|-----------|
| Asset-Backed | 1.0% | Number of Issues | 3,157 |
| Commercial Mortgage Backed | 5.4 | Yield ¹ | |
| Finance | 8.1 | Investor Shares | 4.67% |
| Foreign | 2.2 | Admiral Shares | 4.76 |
| Government Mortgage Backed | 37.5 | Signal Shares | 4.79 |
| Industrial | 9.0 | Institutional Shares | 4.79 |
| Treasury/Agency | 34.1 | ETF Shares | 4.75 |
| Utilities | 1.9 | Yield to Maturity ² | 4.80 |
| Other | 0.8 | Average Maturity | 7.0 years |
| | | Average Quality ³ | Aa1 |
| | | Average Duration | 4.4 years |
| | | Portfolio Turnover Rate ⁴ | 4.2% |

¹ Based on holdings' yield to maturity for the prior 30 days; distribution may differ.

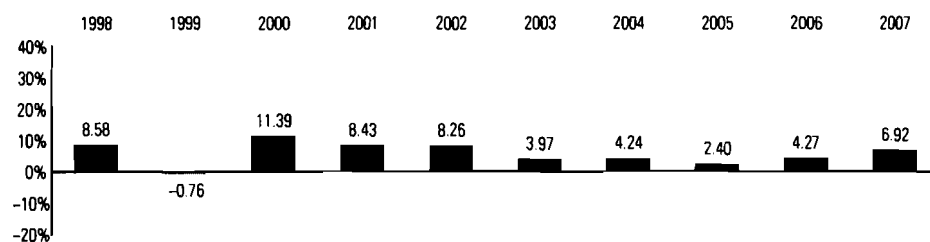
² Before Expenses.

³ Moody's Investor Services.

⁴ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares.

Annual Total Return—Investor Shares¹

The following bar chart shows the Fund's change in value over the past 10 years. It illustrates how returns can differ from one year to the next.



Average Annual Total Returns for Period Ended December 31, 2007

| | 1 Year | 5 Years | Ten Years |
|----------------------------------------------------------------------------------------------------------|--------|---------|-----------|
| Vanguard Total Bond Market Index Fund Investor Shares | | | |
| Return Before Taxes | 6.92% | 4.35% | 5.71% |
| Return After Taxes on Distributions | 5.07 | 2.66 | 3.58 |
| Return After Taxes on Distributions and Sale of Fund Shares | 4.45 | 2.72 | 5.16 |
| Vanguard Total Bond Market Index Fund Admiral Shares¹ | | | |
| Return Before Taxes | 4.36% | 4.69% | — |
| Lehman Brothers U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes) | | | |
| | 6.97% | 4.42% | 5.97% |

¹ From the inception of the Fund's Admiral Shares on November 12, 2001, through December 31, 2007, the average annual total returns were 4.62% for the Admiral Shares and 4.90% for the Lehman Brothers Aggregate Bond Index.

Principal Risks

Interest rate risk, which is the chance that bond prices overall will decline because of rising interest rates. Interest rate risk should be moderate for the Fund because it invests mainly in short- and intermediate-term bonds, whose prices are less sensitive to interest rate changes than are the prices of long-term bonds.

Income risk, which is the chance that the Fund's income will decline because of falling interest rates. Income risk is generally moderate for intermediate-term bond funds, so investors should expect the Fund's monthly income to fluctuate accordingly.

Credit risk, which is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline. Credit risk should be low for the Fund because it purchases only bonds that are issued by the U.S. Treasury or are of investment-grade quality.

Call risk, which is the chance that during periods of falling interest rates, issuers of callable bonds may call (repay) securities with higher coupons or interest rates before their maturity dates. The Fund would then lose potential price appreciation and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund's income. For mortgage-backed securities, this risk is known as prepayment risk. Call/prepayment risk should be moderate for the Fund because it invests only a portion of its assets in callable bonds and mortgage-backed securities.

Index sampling risk, which is the chance that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Index. Index sampling risk for the Fund should be low.

Fees and Expenses

| | Investor Shares | Admiral Shares |
|------------------------------------------------------------------------------------|------------------------|----------------|
| Total Annual Fund Operating Expenses (Expenses deducted from the fund's assets) | 0.19% | 0.10% |
| Shareholder Fees (Fees paid directly from your investment) | | |
| Sales Charge (Load) Imposed on Purchases | None | None |
| Purchase Fee | None | None |
| Sales Charge (Load) Imposed on Reinvested Dividends | None | None |
| Redemption Fee | None | None |
| Account Service Fee (for fund account balances below \$10,000) | \$20/Year ¹ | — |

¹ This fee is not applicable to all accounts. If applicable, the account service fee will be assessed by redeeming fund shares.

Investment Advisor

The Vanguard Group, Inc. (Vanguard), P.O. Box 2600, Valley Forge, PA 19482.

Dividends, Capital Gains, and Taxes

The Fund's income dividends accrue daily and are distributed on the first business day of every month; capital gains distributions generally occur annually in December. In addition, the Fund may occasionally be required to make supplemental distributions at some other time during the year. You can receive distributions of income or capital gains in cash, or you can have them automatically reinvested in more shares of the Fund. Distributions are taxable to you for federal income tax purposes, whether or not you reinvest these amounts in additional Fund shares. A sale or exchange of Fund shares is a taxable event, which means you may have a capital gain to report as income, or a capital loss to report as a deduction, when you complete your federal income tax return. Dividend and capital gains distributions that you receive, as well as your gains or losses from any sale or exchange of Fund shares, may be subject to state and local income taxes.

Purchasing and Redeeming Shares

You may purchase or redeem shares of the Fund on any business day online through our website at www.vanguard.com, by mail (The Vanguard Group, P.O. Box 1100, Valley Forge, PA 19482-1110), or by telephone. Shares may be purchased by electronic bank transfer, by check, or by wire. You may receive redemption proceeds by electronic bank transfer or by check. You generally buy and redeem shares at a fund's next-determined NAV after Vanguard receives your request in good order. NAVs are determined only on days when the NYSE is open for regular trading.

Account Minimums

| | |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Investor Share – to open and maintain an account | \$3,000 |
| To add to an existing account | \$50 by Automatic Investment Plan; \$100 by check, exchange, wire, or electronic bank transfer (other than Automatic Investment Plan). |

Financial Intermediary Compensation

The Fund and its investment advisor do not pay financial intermediaries for sales of fund shares.

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