



Chicago Blower Corporation Profit Sharing and 401(k) Plans Annual Participant Disclosure required by U.S. Dept. of Labor

~~~~~

### **Prepared and Distributed by the Plan Administrator**

The report that follows is required by regulations issued originally in 2012 by the United States Department of Labor (“DoL”) called ERISA §404(a)(5). The regulations dictate most of the format and content of the report and require the Plan Administrator on behalf of the Plans’ Trustees to create and distribute the report at least annually (as defined in the regulations as a 14 month rolling period) to anyone who is, or is expected to become, eligible to participate in either of our Profit Sharing and 401(k) Plans. The report must also be updated at least 30 days ahead of any significant change to the Plans’ features, operational procedures, fees or investment options. No such significant change has occurred since those detailed in the most recent report issued in August, 2023. Compensation & Capital Administrative Services, Inc. (CCAS) acts as your Plans’ Third-Party Plan Administrator and is thereby engaged by the Plan Administrator to prepare this report.

The DoL intends this report to provide Plan participants with a better understanding of (1) the expenses associated with participation in our Plans, and (2) historical performance of investment options available in the Plans. The DoL’s stated objective for this communication is to provide participants with more and better information for making investment and other plan-related decisions.

The Trustees do not intend this report to take the place of all other available sources of such information made available to Plan participants, particularly as available on and through the Plans’ website at [www.planspecs.com/cbc](http://www.planspecs.com/cbc).

The report contains required information on the following topics:

- How Plan administration expenses are handled;
- What costs are associated with elective Plan features;
- What fees are associated with our Plans’ investment options;
- What rights you have with respect to the Plans’ operation;
- How the performance of the Plans’ investment choices compares to broad-based benchmarks; and
- Where to go for additional information concerning the Plans’ investments.

### **Summary Comment on Fees and Expenses**

By law, retirement plan participants can be assessed all or just about any portion of most costs incurred to operate a plan including administration fees, accounting fees, legal fees, asset custody fees, investment management and advisory fees, etc. In fact, many employers that sponsor retirement plans do so with *no* cost to the company by forcing participants to absorb 100% of the plan costs through their plan accounts. These costs can amount to, or even exceed, 3% of the value of the plan accounts each year. And until the DoL mandated this new report, the costs absorbed by plan participants could be easily hidden in reported investment returns.

While nothing is guaranteed forever, it continues as of this date to be the policy of Chicago Blower Corporation (CBC) as the sponsoring employer of the Plans to absorb 100% of all plan-level costs except investment management costs associated directly with participants’ personal investment choices and administrative fees related directly to plan loans as requested by participants.

Participants using options in the Plans’ Vanguard Select Funds and Auto-Balanced Funds Venues pay ONLY the mutual funds’ operating costs as reported by each fund’s prospectus and charged to any and all shareholders of that fund. These fund expenses are one of many important criteria that the Trustees consider in selection and maintenance of investment options for these Venues. Participants using the Plans’ Fully Self-Managed Venue, Schwab PCRA™, absorb only the fees directly associated with the investments that they choose within that account.

Questions concerning this report should be directed to CCAS via e-mail to them at [info@planspecs.com](mailto:info@planspecs.com).

**October, 2024**

This U.S. Department of Labor (DoL)-required report contains important information concerning our Plans. Its introductory first section provides general information about the Plans' investing structure including expenses you might incur through participation in the Plans or upon exercising various Plan rights and features. The second section provides information about risks inherent in any investing process and points you to internet-based sources of additional information to help you learn more about investing. The third section focuses on the Plans' "Auto-Balanced" funds line-up, specifically Vanguard's static allocation and target date funds. Finally, its fourth section provides information specific to the Plans' Designated Investment Alternatives ("DIA") Vanguard Select and Auto-Balanced Funds Venue investment options, including historical performance, any fees or expenses associated with those investments, and industry-based comparisons thereof for quick reference.

If you have questions concerning any of this information or would like to request further information regarding anything associated with this report, contact the Plans' Third-Party Plan Administrators (their "TPA") at [info@planspecs.com](mailto:info@planspecs.com). Plan-specific information available in this report or elsewhere in the public domain includes annual operating expenses of the Plans' investments; prospectuses, financial statements, reports, or other materials relating to investments available in the Plans; a list of assets contained in each Plan's investment menu; the value of those assets and fund units or shares; and the past and current performance of each Plan investment as compared to appropriate broad based market indices. The Plans' website at [www.planspecs.com/cbc](http://www.planspecs.com/cbc) contains comprehensive and focused materials specifically relevant to the Plans' operations and available investments. You may also view the Plans' *Summary Plan Description* on the website.

## **Section I: Explanation of the Plan's Investments Structure and Plan Expenses**

### **Plan Investment Structure**

The Plans are intended to be maintained in compliance with regulations under ERISA §404(c). In short, this simply means that you must "exercise control" over direction of all the investments in your Plan account. To help you in this responsibility, the Plans' fiduciaries (CBC as the Sponsoring Employer and Plan Administrator, the Trustees, and the TPA) while maintaining objectivity and independence specific to the selection, monitoring (and replacement as appropriate) of these investments must provide you with an appropriately diverse and high-quality set of investment alternatives as well as relevant information by which to direct your account investments. As a result of this regulatory compliance, the Plans' fiduciaries are legally relieved of liability, or responsibility, for any losses that you may experience as a direct result of your investment decisions. You provide the TPA with investment directions for your Plan account on the secure portal of the Plans' website [www.planspecs.com/cbc](http://www.planspecs.com/cbc), selecting from investment choices provided under your Plan as ultimately determined by its Trustees.

The Plans' Investment Venues are: The DIA Vanguard Select and Auto-Balanced Funds Venue and the Fully Self-Directed ("FSD") Venue's Schwab PCRA™. The Plan allows your participation in one or both of the Plans' investment venues and your change of investment venue choice at any time. DIA fund directives may also be changed at your discretion at any time. Changes to and limitations on investments chosen by a participant within the DIA venue are imposed by the Trustees and stipulated in the Plan documents and notes contained on the Plans' administrative forms. Changes to and limitations on investments purchased by a participant within the FSD venue are also regulated by those constituent investments and the FSD Venue themselves.

The Plans' Trustees maintain authority for exercise of all security shareholder rights as applicable to investments held in the Plans' DIA Venue. The Plans authorize participants to exercise all security shareholder rights as applicable to investments held in their FSD Venue account.

### **Plan Expenses**

401(k) and profit sharing retirement plans have many different types of expenses. In general these can be categorized into Administrative and Investment-Related.

*Administrative Expenses:* These include costs of administration, legal, accounting services and, in our Plans, independent investment consulting to the Trustees as related to the DIA Venue's investment options. CBC shoulders all of these costs except those related to the administration of Plan loans (\$100 at initiation, \$20 for proceeds by Fed Wire as compared with free-of-charge loan disbursements by check or ACH, and \$50 annually) and administration of FSD Venue accounts (specifically, \$20 per participant-initiated transfer back to the DIA Venue.)

*Investment-related Expenses:* Your Plan authorizes investment product providers such as mutual funds and Charles Schwab & Co (in the FSD Venue only) to charge appropriate and pre-determined investment-related expenses against your account. The level, purpose and basis for such expenses are directly related to the investing venue and specific investments within that venue that you choose for your Plan account.

DIA Venue: Participants in the Plans' DIA Select and Auto-Balanced Funds Venues' mutual funds are responsible only for each fund's prospectus-published operating expenses as charged to any and all shareholders of that fund. The Plan allocates no other investment-related fees against participant accounts in the DIA Venue. Vanguard currently provides investment management of all their funds at significantly below-industry-average levels. Table 1 of this report illustrates the significance of this very favorable cost structure.

FSD Venue: Participants opting to allocate any portion of their Plan account balance or ongoing contributions to an FSD Venue account are absolutely responsible for comprehensively informing themselves of and paying through their Plan account any and all fees and expenses associated with their participation in investments purchased in that account.

Furthermore, *specific to the Schwab PCRA™*: A Participant's initiation of the Schwab PCRA™ is followed shortly thereafter by a *Schwab Pricing Guide* mailed directly from Schwab to the participant. The Guide is also available directly from Schwab online via links residing at the bottom of [www.schwab.com/pcra](http://www.schwab.com/pcra). In general, the only fees Schwab currently charges directly to participants are commission and transaction fees that are associated with trading in the PCRA™. Schwab does not currently charge a fee to open or specifically to maintain a PCRA. Schwab discloses commission and transaction fees to participants in several ways:

- Schwab's online order verification process notifies the participant of any fees associated for placing a trade before they confirm their trade.
- Schwab's trade confirmations are sent out to participants once an order has executed in their account.
- Schwab's monthly participant account statements show any transaction fees associated with buying or selling securities in the participant's account.

## **Section II: Basic Investing Risks and Terms**

*Asset Allocation Risk*: A fund's risk will directly correspond to the risks of any underlying asset classes (generally speaking, stocks, bonds, or money markets) in which it invests. By diversifying across all asset classes a fund has partial exposure to the risks of many different areas of the market, and the overall level of risk should thereby be lessened over time relative, that is, to a fund invested in only one asset class. However, the *proportional* allocation of a fund's assets among the various asset classes and market sectors as well as the *timing* of entry to and exit from each asset class or market sector could cause the fund to underperform other funds with similar asset allocations.

*General Stock (Equity) Risk*: Stocks generally fluctuate in value more than bonds and may decline significantly over short periods. As with any fund having exposure to stocks, the fund's share price can fall because of overall weakness in the stock market. The value of individual stocks in which the fund invests or the fund as a whole may decline due to general market conditions or because of factors that affect a particular industry or market sector.

*Small & Mid -Cap Stock Risk*: Investing in Small and Mid-Cap funds entails greater risk than investing in funds that focus on larger companies. Stocks of smaller companies are usually more volatile than stocks of larger companies because smaller companies usually have more limited financial resources and less experienced management, and seldom pay significant dividends that could help to cushion returns in a falling market.

*Growth & Value Approach Risk*: Growth stocks tend to be more volatile than value stocks and are more sensitive to changes in current or expected earnings. Value stocks carry the risk that investors will not recognize their intrinsic value for a long time or that they are actually appropriately priced at a low level. If a fund concentrates its investments in stocks of companies with only growth (or only value) characteristics, its share price may be negatively affected if either investing approach falls out of favor for a period of time.

*Interest Rate Risk*: This is the risk that a rise in interest rates could cause the price of a bond in which a bond fund invests to fall. Generally, the longer the weighted average maturity of a fund's underlying bond portfolio, the greater its interest rate risk.

*Credit Risk*: This is the risk that an issuer of a debt security or counterparty to an over-the-counter derivative held by an underlying bond fund could be downgraded or default, thereby negatively affecting the fund's price or yield.

*Liquidity Risk*: This is the risk that a fund may not be able to sell a security in a timely manner at a desired price. This risk could affect both stocks and bonds in which the fund invests. It's a significant concern in funds that focus on Small-Cap stocks.

*Foreign Investing Risk*: This is the risk that the fund's investments in international stocks (or bonds) may be adversely affected by economic conditions or developments overseas, or decreases in foreign currency values relative to the U.S. dollar. The risks are heightened for funds that focus on emerging markets.

The internet contains several free, independently-sponsored glossaries containing far more specific investment terms relevant to investment options available in our Plans. Two such sites are [www.ici.org/401k/11\\_401k\\_glos](http://www.ici.org/401k/11_401k_glos) and <http://www.morningstar.com/InvGlossary>. These glossaries are intended to help you better understand your investing options under the Plan and their generalized inherent risks.

### **Section III: “Auto-Balanced” Static Allocation and Target Date Funds available as Plan DIA’s**

This section of the DoL-required report includes a general description as well as more specific information describing the set of Vanguard Funds included in the Plans’ DIA’s that we have termed “Auto-Balanced.” This set of 15 mutual funds includes Vanguard’s *LifeStrategy*™ -branded set of four funds and eleven Vanguard *Target Retirement*™ funds. These DIA’s are intended to simplify your Plan account investing. That’s because each “Auto-Balanced” fund holds a mix of up to six different Vanguard stock, bond and money market mutual funds – all professionally managed by Vanguard’s expert advisory teams. So employing just one of these “Auto-Balanced” funds instead of a spectrum of various funds allows you to focus on your portfolio’s strategy as a whole without worrying about managing the parts. This big-picture perspective of performance can help you avoid being tempted to make fund changes based on the periodic ups and downs of individual investments. And, by sticking with your strategy, you will likely improve your chances of investing successfully over the long run. That said, it’s important to remember that neither diversification nor auto-balancing will insure a profit or protect against a loss in declining markets. Comprehensive information on both sets of “Auto-Balanced” funds is available on the Plans’ website [>> Plan Investing](http://www.planspecs.com/cbc). The DoL’s regulations require some further highlights:

*LifeStrategy*™ funds are automatically re-balanced each quarter by Vanguard to maintain a relatively narrow band of asset allocation appropriate to the risk/return profiles described by their names. For example: ‘Conservative Growth’ or ‘Income’. Each fund is composed of portions of up to six different Vanguard funds representing different asset classes and variations thereof. In general, the more conservative the risk objective of the fund, the more money market and bond (as opposed to stocks) exposure it will maintain. More aggressive risk objectives will carry more stocks relative to their exposure to bonds and money markets.

*Target Retirement*™ funds:

In general: This set of Vanguard funds are automatically rebalanced both quarterly (to respond to short-term market changes) and gradually over many years (to become more conservative as your targeted date of retirement approaches.) This latter rebalancing strategy automatically reduces asset allocation risk (as explained in Part II above.) Each fund includes an appropriate portion of up to six different Vanguard funds: two stock funds, three bond funds, and a money market fund. Each fund generally allocates about 90% to stocks for its youngest investors, declining to 60% in stocks for investors who have reached its target date. Over the 30 years subsequent to the target date, a fund’s exposure to stocks continues to decline to about 30% at its most conservative. This dynamic asset allocation for target date funds has been termed their “Glide Path.”

Target Date Glide Path: Generally, the target date is expressed as the approximate year you intend to retire and assumes a retirement age of 65. Should you intend to retire significantly earlier or later, you may want to consider a target date fund with an asset allocation more appropriate to your particular intentions. The table below displays the approximate allocations to stocks versus bonds at different points along the glide path as managed by Vanguard’s *Target Retirement*™ funds. For example, at 5 years before the target date, the fund may have 61% of its value allocated to stocks.

| Asset Class           | Years to Target Date |     |     |     |     |     |     |     |     |         |
|-----------------------|----------------------|-----|-----|-----|-----|-----|-----|-----|-----|---------|
|                       | 40                   | 35  | 30  | 25  | 20  | 15  | 10  | 5   | 0   | 7 After |
| Stocks                | 91%                  | 91% | 89% | 89% | 83% | 76% | 69% | 61% | 52% | 38%     |
| Bonds & Money Markets | 9%                   | 9%  | 11% | 11% | 17% | 24% | 31% | 39% | 48% | 62%     |

Approximately seven years after the target date, Vanguard automatically rolls the applicable fund into the Target Retirement Income Fund which maintains a fixed asset allocation of approximately 30% stocks and 70% bonds. Subsequent to the target date, no target date fund can guarantee a specific level of income. The funds are however intended to serve as a post-retirement investment vehicle with asset allocations providing an income stream of regular withdrawals throughout retirement while providing growth that can offset inflation. The target allocations noted in the Glide Path table above are not expected to vary by more than +/- 5% to reflect Vanguard’s investment managers’ strategic market considerations over time.

**Section IV: Performance and Expenses for Investment Options in the DIA Venue as of September 30, 2024**

This section of the DoL-required report includes important information to help you compare the investment options currently available in the DIA Venue of our Plans. According to the DoL's final regulations published in February, 2012, the Plans are not required to publish any performance or fee information applicable to any specific security/fund available in the FSD Venues.

**Table 1: Total Annual Operating Expense and Shareholder Fees Information**

Table 1 shows investment-related fee and expense information for the DIA Venue's investment options as well as industry average fee levels for funds comparable to each of the Plans' DIA Venue options. The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the Department of Labor's website at <https://www.dol.gov/general/topic/retirement/consumerinfopension> for an objective and independent discussion of the long-term effect on your retirement savings of fees and expenses. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

|                                                  |                                                              | Fund's Total Annual Operating Expenses |                                  |                                                  |                                                            | Fund's Total Annual Operating Expenses |                                  |
|--------------------------------------------------|--------------------------------------------------------------|----------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------------------------|----------------------------------------|----------------------------------|
| TICKER                                           | VANGUARD Fund Name                                           | As a % of Your Plan Account            | Per \$1,000 of Your Plan Account | TICKER                                           | VANGUARD Fund Name                                         | As a % of Your Plan Account            | Per \$1,000 of Your Plan Account |
| <i>Morningstar™ Fund Category (Average Fees)</i> |                                                              |                                        |                                  | <i>Morningstar™ Fund Category (Average Fees)</i> |                                                            |                                        |                                  |
| VFIAX                                            | 500 Index Admiral                                            | 0.04%                                  | \$0.40                           | VASGX                                            | Life Strategy Growth Investor                              | 0.14%                                  | \$1.40                           |
|                                                  | <i>Large-Cap Blend Stock Funds</i>                           | 0.85%                                  | \$8.50                           |                                                  | <i>Moderately Aggressive Allocation (Bond+Stock) Funds</i> | 1.00%                                  | \$10.00                          |
| VEMAX                                            | Emerging Markets Stock Index Admiral                         | 0.14%                                  | \$1.40                           | VASIX                                            | Life Strategy Income Investor                              | 0.11%                                  | \$1.10                           |
|                                                  | <i>Diversified Emerging Markets Stock Funds</i>              | 1.21%                                  | \$12.10                          |                                                  | <i>Conservative Allocation (Bond+Stock) Funds</i>          | 0.85%                                  | \$8.50                           |
| VGELX                                            | Energy Admiral                                               | 0.38%                                  | \$3.80                           | VSMGX                                            | Life Strategy Moderate Growth Investor                     | 0.13%                                  | \$1.30                           |
|                                                  | <i>Energy Sector Stock Funds</i>                             | 1.27%                                  | \$12.70                          |                                                  | <i>Moderate Allocation (Bond+Stock) Funds</i>              | 1.05%                                  | \$10.50                          |
| VEIRX                                            | Equity-Income Admiral                                        | 0.18%                                  | \$1.80                           | VTINX                                            | Target Retirement Income Investor                          | 0.08%                                  | \$0.80                           |
|                                                  | <i>Large-Cap Value Stock Funds</i>                           | 0.97%                                  | \$9.70                           |                                                  | <i>Target-Date Retirement Funds</i>                        | 0.66%                                  | \$6.60                           |
| VIGAX                                            | Growth Index Admiral                                         | 0.05%                                  | \$0.50                           | VTWNX                                            | Target Retirement 2020 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Large-Cap Growth Stock Funds</i>                          | 0.99%                                  | \$9.90                           |                                                  | <i>Target Date 2020 Funds</i>                              | 0.60%                                  | \$6.00                           |
| VAIPX                                            | Inflation-Protected Securities Admiral                       | 0.10%                                  | \$1.00                           | VTTVX                                            | Target Retirement 2025 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Inflation-Protected Securities Funds</i>                  | 0.74%                                  | \$7.40                           |                                                  | <i>Target Date 2025 Funds</i>                              | 0.66%                                  | \$6.60                           |
| VIBLX                                            | Intermediate Term Bond Index Admiral                         | 0.07%                                  | \$0.70                           | VTHRX                                            | Target Retirement 2030 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Intermediate Core Bond Funds</i>                          | 0.59%                                  | \$5.90                           |                                                  | <i>Target Date 2030 Funds</i>                              | 0.67%                                  | \$6.70                           |
| VWILX                                            | International Growth Admiral                                 | 0.31%                                  | \$3.10                           | VTTHX                                            | Target Retirement 2035 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Foreign Large-Cap Growth Stock Funds</i>                  | 1.04%                                  | \$10.40                          |                                                  | <i>Target Date 2035 Funds</i>                              | 0.68%                                  | \$6.80                           |
| VMGRX                                            | Mid-Cap Growth Investor                                      | 0.37%                                  | \$3.70                           | VFORX                                            | Target Retirement 2040 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Mid-Cap Growth Stock Funds</i>                            | 1.12%                                  | \$11.20                          |                                                  | <i>Target Date 2040 Funds</i>                              | 0.70%                                  | \$7.00                           |
| VUSXX                                            | Treasury Money Market                                        | 0.09%                                  | \$2.00                           | VTIVX                                            | Target Retirement 2045 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Taxable Money Market Funds</i>                            | 0.41%                                  | \$5.30                           |                                                  | <i>Target Date 2045 Funds</i>                              | 0.70%                                  | \$7.00                           |
| VASVX                                            | Selected Value Investor                                      | 0.43%                                  | \$4.30                           | VFIFX                                            | Target Retirement 2050 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Mid-Cap Value Stock Funds</i>                             | 1.04%                                  | \$10.40                          |                                                  | <i>Target Date 2050 Funds</i>                              | 0.10%                                  | \$1.00                           |
| VSMAX                                            | Small-Cap Index Admiral                                      | 0.05%                                  | \$0.50                           | VFFVX                                            | Target Retirement 2055 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Small-Cap Blend Stock Funds</i>                           | 1.05%                                  | \$10.50                          |                                                  | <i>Target Date 2055 Funds</i>                              | 0.70%                                  | \$7.00                           |
| VWENX                                            | Wellington Admiral                                           | 0.18%                                  | \$1.80                           | VTTSX                                            | Target Retirement 2060 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Moderate Allocation Funds</i>                             | 1.05%                                  | \$10.50                          |                                                  | <i>Target Date 2060 Funds</i>                              | 0.71%                                  | \$7.10                           |
| VSCGX                                            | Life Strategy Conservative Growth Investor                   | 0.12%                                  | \$1.20                           | VLXVX                                            | Target Retirement 2065 Investor                            | 0.08%                                  | \$0.80                           |
|                                                  | <i>Moderately Conservative Allocation (Bond+Stock) Funds</i> | 0.96%                                  | \$9.60                           |                                                  | <i>Target Date 2065+ Funds</i>                             | 0.69%                                  | \$6.90                           |

**Important Notes:**

- ALL of our Plans' fund's Annual Operating Expenses are below, and in most cases significantly below, their Morningstar™ Fund Category's Average Fees.
- The DoL requires this report to detail any and all "Shareholder-Type Fees" associated with the DIA's in your Plan. This includes Front-End and Deferred Sales Charges also called "Loads" or "Commissions", Purchase Fees, and Redemption Fees. *Your current DIA's have NO such "Shareholder-Type Fees."*



**Table 2: Performance and Links to Further Fund-Specific Information**

Table 2 focuses on the historical performance of the Plans' DIA Venue investment options. It's important to note that the Plans' DIA Venue funds do not have a fixed or stated rate of return. The table shows how these investment options have performed over DoL-mandated time periods and allows you to compare them with an appropriate broad-based benchmark index for those same time periods. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Comprehensive information on each fund in the DIA Select Funds Venue including that fund's principal investing risks and strategy is available at [www.planspecs.com/cbc](http://www.planspecs.com/cbc) >>Plan Investing.

| TICKER | VANGUARD Fund Name<br><i>Prospectus Benchmark Index</i> | Average Annualized Total Return % as of 9/30/2024 |         |          |                 |                |
|--------|---------------------------------------------------------|---------------------------------------------------|---------|----------|-----------------|----------------|
|        |                                                         | 1 Year                                            | 5 Years | 10 Years | Since Inception | Inception Date |
| VFIAX  | 500 Index Admiral                                       | 36.29                                             | 15.93   | 13.34    | 8.27            | 11/13/2000     |
|        | S&P 500 Index                                           | 36.35                                             | 15.98   | 13.38    | n/a             |                |
| VEMAX  | Emerging Markets Stock Index Admiral                    | 24.96                                             | 2.62    | 6.38     | 4.17            | 6/23/2006      |
|        | FTSE Emerging Markets All Cap                           | 27.28                                             | 2.32    | 7.04     | n/a             |                |
| VGELX  | Energy Admiral                                          | 17.85                                             | 7.66    | 1.47     | 7.87            | 11/12/2001     |
|        | Morningstar™ Equity Energy Funds Category               | 0.53                                              | 11.39   | -1.67    | n/a             |                |
| VEIRX  | Equity-Income Admiral                                   | 26.44                                             | 11.56   | 10.58    | 8.81            | 8/13/2001      |
|        | Russell 1000 Value Stocks Index                         | 27.76                                             | 10.69   | 9.23     | n/a             |                |
| VIGAX  | Growth Index Admiral                                    | 41.90                                             | 19.00   | 15.54    | 8.92            | 11/13/2000     |
|        | Russell 1000 Growth Stocks Index                        | 27.66                                             | 8.82    | 8.95     | n/a             |                |
| VAIPX  | Inflation-Protected Securities Admiral                  | 9.82                                              | 2.52    | 2.45     | 3.37            | 6/10/2005      |
|        | Bloomberg US Treasury US TIPS TR Index                  | 9.79                                              | 2.62    | 2.54     | n/a             |                |
| VIBLX  | Intermediate Term Bond Index Admiral                    | 12.30                                             | 0.70    | 2.30     | 4.16            | 11/12/2001     |
|        | Bloomberg US Aggregate Bond Index                       | 11.57                                             | 0.33    | 1.84     | n/a             |                |
| VWILX  | International Growth Admiral                            | 28.94                                             | 10.76   | 8.97     | 7.89            | 8/13/2001      |
|        | MSCI ACWI Ex USA Growth Index                           | 26.75                                             | 7.09    | 5.97     | n/a             |                |
| VMGRX  | Mid-Cap Growth Investor                                 | 27.61                                             | 9.06    | 9.36     | 9.97            | 12/31/1997     |
|        | Russell Mid-Cap Growth Index                            | 29.33                                             | 11.30   | 10.19    | n/a             |                |
| VUSXX  | Treasury Money Market                                   | 5.42                                              | 2.28    | 1.59     | 2.44            | 12/14/1992     |
|        | Morningstar™ Taxable Money Market Index                 | 5.26                                              | 2.19    | 1.52     | n/a             |                |
| VASVX  | Selected Value Investor                                 | 28.03                                             | 13.26   | 9.55     | 9.37            | 2/15/1996      |
|        | Russell Mid-Cap Value Index                             | 29.01                                             | 10.33   | 8.93     | n/a             |                |
| VSMAX  | Small-Cap Index Admiral                                 | 27.43                                             | 10.66   | 9.64     | 9.25            | 11/13/2000     |
|        | Russell 2000 Index                                      | 26.76                                             | 9.39    | 8.78     | n/a             |                |
| VWENX  | Wellington Admiral                                      | 24.87                                             | 9.16    | 8.69     | 8.06            | 5/14/2001      |
|        | Morningstar™ Moderate Allocation Funds Category         | 21.99                                             | 8.01    | 6.89     | n/a             |                |
| VSCGX  | Life Strategy Conservative Growth Investor              | 18.82                                             | 5.06    | 5.24     | 6.57            | 9/30/1994      |
|        | Morningstar™ Moderately Conservative Target Risk Index  | 18.31                                             | 5.13    | 4.73     | n/a             |                |
| VASGX  | Life Strategy Growth Investor                           | 26.88                                             | 9.82    | 8.37     | 8.27            | 9/30/1994      |
|        | Morningstar™ Moderately Aggressive Target Risk Index    | 24.49                                             | 9.10    | 7.56     | n/a             |                |
| VASIX  | Life Strategy Income Investor                           | 14.87                                             | 2.59    | 3.57     | 5.62            | 9/30/1994      |
|        | Morningstar™ Conservative Target Risk Index             | 14.94                                             | 2.75    | 3.25     | n/a             |                |
| VSMGX  | Life Strategy Moderate Growth Investor                  | 22.82                                             | 7.45    | 6.84     | 7.54            | 9/30/1994      |
|        | Morningstar™ Moderate Target Risk Index                 | 22.04                                             | 7.07    | 6.49     | n/a             |                |
| VTINX  | Target Retirement Income Investor                       | 16.22                                             | 4.45    | 4.51     | 5.09            | 10/27/2003     |
|        | Morningstar™ Conservative Target Risk Index             | 14.94                                             | 2.75    | 3.25     | n/a             |                |
| VYWNX  | Target Retirement 2020 Investor                         | 18.25                                             | 6.01    | 5.99     | 6.19            | 6/7/2006       |
|        | Morningstar Lifetime™ Moderate 2020 Index               | 19.61                                             | 5.51    | 5.54     | n/a             |                |
| VTTVX  | Target Retirement 2025 Investor                         | 21.13                                             | 7.09    | 6.74     | 6.83            | 10/27/2003     |
|        | Morningstar Lifetime™ Moderate 2025 Index               | 20.94                                             | 5.96    | 6.00     | n/a             |                |
| VTHRX  | Target Retirement 2030 Investor                         | 23.27                                             | 8.04    | 7.35     | 6.98            | 6/7/2006       |
|        | Morningstar Lifetime™ Moderate 2030 Index               | 22.56                                             | 6.74    | 6.62     | n/a             |                |
| VTTX   | Target Retirement 2035 Investor                         | 24.76                                             | 8.95    | 7.93     | 7.70            | 10/27/2003     |
|        | Morningstar Lifetime™ Moderate 2035 Index               | 24.54                                             | 7.83    | 7.33     | n/a             |                |
| VFORX  | Target Retirement 2040 Investor                         | 26.33                                             | 9.85    | 8.49     | 7.72            | 6/7/2006       |
|        | Morningstar Lifetime™ Moderate 2040 Index               | 26.49                                             | 8.91    | 7.94     | n/a             |                |
| VTIVX  | Target Retirement 2045 Investor                         | 27.82                                             | 10.74   | 8.97     | 8.42            | 10/27/2003     |
|        | Morningstar Lifetime™ Moderate 2045 Index               | 27.90                                             | 9.63    | 8.29     | n/a             |                |
| VFIFX  | Target Retirement 2050 Investor                         | 28.91                                             | 11.05   | 9.13     | 8.09            | 6/7/2006       |
|        | Morningstar Lifetime™ Moderate 2050 Index               | 28.55                                             | 9.92    | 8.39     | n/a             |                |
| VFFVX  | Target Retirement 2055 Investor                         | 28.92                                             | 11.05   | 9.11     | 10.41           | 8/18/2010      |
|        | Morningstar Lifetime™ Moderate 2055 Index               | 28.66                                             | 9.93    | 8.36     | n/a             |                |
| VTTX   | Target Retirement 2060 Investor                         | 28.93                                             | 11.05   | 9.11     | 10.24           | 1/19/2012      |
|        | Morningstar Lifetime™ Moderate 2060 Index               | 28.62                                             | 9.87    | 8.28     | n/a             |                |
| VLXVX  | Target Retirement 2065 Investor                         | 28.95                                             | 11.04   | n/a      | 9.82            | 8/18/2010      |
|        | Morningstar Lifetime™ Moderate 2065 Index               | 28.51                                             | 9.79    | n/a      | n/a             |                |

**Note:** In compliance with DoL regulations for this report, "Since Inception Date" returns are provided in lieu of 10-year performance for funds that have not been in existence in excess of 10 years.