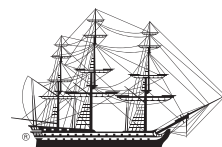


Vanguard® US Total Market Shares Index ETF

(ASX code - VTS) Prospectus

Dated 4 May 2011



Vanguard INVESTMENTS®



VTS

IMPORTANT NOTICE **Trading Participants**

Please note that the offer in this Prospectus is for stockbrokers acting as principal, that is persons who have been authorised as 'trading participants' under the Australian Securities Exchange (ASX) Market Rules (Eligible Investor). For that reason, certain sections of this Prospectus (particularly those relating to applications for and redemptions of the Vanguard All-World ex-US Shares Index ETF) are of direct relevance to such persons only.

All Other Investors

Other investors cannot invest through this Prospectus directly, but can transact in the Vanguard All-World ex-US Shares Index ETF through a stockbroker or financial adviser. Other investors can use this Prospectus for informational purposes only. For further details on Vanguard Exchange Traded Funds (ETFs) please contact a stockbroker or financial adviser or visit www.vanguard.com.au.

Features at a Glance

Full Name	Vanguard US Total Market Shares Index ETF
ASX Code	VTS
SEDOL	B42HLM5
ISIN	AU000000VTS1
Management Costs*	0.06% p.a.
Total Annual Fund Operating Expenses*	0.07% p.a.
Structure	CDI : CHESS Depository Interests
Objective	Track the performance of the benchmark Index
Index	MSCI US Total Market Index
Listing Location	AQUA market of the ASX Ltd
Commencement Date	12 May 2009
Prospectus Date	4 May 2011
Expiry Date	4 June 2012
Product Issuer	Vanguard Investments Australia Ltd
Fund Manager	The Vanguard Group, Inc.
Share Registry	Computershare Investor Services Pty Limited
Holder of underlying ETFs	CHESS Depository Nominees Pty Limited
Market Makers	Applicable
Risks	Market, index sampling, currency, trading, regulatory and tax.
Transactions (primary market)	Via an Authorised Participant in the US
Creation Unit	100,000 ETF Securities
Transaction Fee	USD 500
Transactions (secondary market)	Available on the ASX; required to have a brokerage account.
Distribution	Quarterly: March, June, September and December
Distribution payable	Australian Dollars, within 20 trading days following the record
Distribution Reinvestment Plan	Not available
Taxation	Capital gains, foreign sourced income, withholding and US estate tax applicable depending on the circumstance of the investor.
Regulated Investment Company Status	Qualifies as at the date of this Prospectus
Documents incorporated by reference	US Prospectus and Statement of Additional Information
Key Contact	Vanguard Client Services on 1300 655 888

* Refer to the section 'Fees and Expenses' on page 6.



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About this Prospectus

This Prospectus is for the Vanguard US Total Market Shares Index ETF (Vanguard US Total Market ETF) and is dated 4 May 2011.

Vanguard Investments Australia Ltd ABN 72 072 881 086 AFSL 227263 RSEL L0001335 (Vanguard) is the issuer of this Prospectus on behalf of the Vanguard Total Stock Market Index Fund (US Fund), a series of Vanguard Index Funds (a Delaware Statutory Trust).

The Vanguard Group, Inc. (VGI) is the US parent company of Vanguard.

In this Prospectus references to 'Vanguard', 'we', 'our' and 'us' refer to Vanguard Investments Australia Ltd.

A copy of this Prospectus has been lodged with the Australian Securities and Investments Commission (ASIC) pursuant to section 718 of the *Corporations Act 2001 (Cth)* (*Corporations Act*) and with the ASX Ltd (ASX). Neither ASIC nor the ASX takes any responsibility for the contents of this Prospectus.

The Vanguard US Total Market Shares Index ETF is the name given to the Clearing House Electronic Subregister System (CHESS) Depository Interests (CDIs) that are quoted on the AQUA market of the ASX (refer to page 10 for further details on CDIs). These CDIs facilitate the buying and selling of the ETF securities (namely, shares in the US Fund, being the Vanguard Total Stock Market Index Fund) (US ETF Securities) on the ASX. CDIs are 'securities' for the purpose of the *Corporations Act*.

Unless otherwise stated, data sources used by Vanguard or VGI are public or licensed market data and all material is current as at the date of this Prospectus.

A copy of this Prospectus for the Vanguard US Total Market ETF, the prospectus of the US Fund (US Prospectus) and the US Fund's Statement of Additional Information (SAI) are available on Vanguard's website at www.vanguard.com.au. If you do not have access to the internet, please contact Vanguard Client Services on 1300 655 888. A paper copy will be provided free of charge on request.

Information available from Vanguard

To keep investors informed, Vanguard, in its capacity as the issuer of the Vanguard US Total Market ETF, will provide regular reporting and disclosure. The following information can be obtained by visiting Vanguard's website at www.vanguard.com.au or by contacting Vanguard Client Services on 1300 655 888:

- Details of the Net Asset Value (NAV) – available monthly
- Details of the NAV price – available daily
- A copy of this Prospectus (and any documents which may amend or update the Prospectus)
- Details of any continuous disclosure notices given by Vanguard to the ASX
- Details of distribution announcements given by Vanguard to the ASX via the ASX Company Announcements Platform
- Annual Reports and Financial Statements

Disclaimers

An investment in the Vanguard US Total Market ETF is subject to risk, (refer to the section 'Risks' on page 12), which may include possible delays in repayment and loss of income and capital invested.

None of VGI, including Vanguard or their related entities, directors or officers, gives any guarantee or assurance as to the performance of, or the repayment of capital or income reinvested, in the Vanguard US Total Market ETF described in this Prospectus. Members of VGI and its related entities may invest in, lend to or provide other services to the Vanguard US Total Market ETF.

This Prospectus is prepared for general information only. It is not intended to be a recommendation by Vanguard, any of Vanguard's associates or any other person to invest in the Vanguard US Total Market ETF. In preparing this Prospectus, Vanguard did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, investors need to consider (with or without the advice or assistance of an adviser) whether an investment in the Vanguard US Total Market ETF is appropriate to their needs, objectives and circumstances.

Vanguard has sufficient working capital to enable it to operate the Vanguard US Total Market ETF as outlined in this Prospectus.

Key features of the ETF offer

Offer to Eligible Investors

Through this Prospectus, Vanguard gives Eligible Investors the opportunity to apply for US ETF Securities for transitioning into the Australian market and to then allow the trading of those US ETF Securities on the secondary market in Australia. Eligible Investors, as referred to in this Prospectus, cannot directly apply for or redeem US ETF Securities with the US Fund. Only institutions that are registered Authorised Participants in the US can apply for or redeem US ETF Securities. Therefore, Eligible Investors will be required to engage their or other counterparts in the US that are registered Authorised Participants for the creation and redemption of US ETF Securities (refer to page 14 for more details on the application and redemption process).

Continuous offer and expiry date

The offer of CDIs is a continuous offer which remains open until 4 June 2012 (the Expiry date) being 13 months after the date of this Prospectus. CDIs will not be offered, issued or transferred on the basis of this Prospectus after 4 June 2012.

What is an ETF?

An ETF is an Exchange Traded Fund, which is quoted for trading on the AQUA market of the ASX. Generally, these funds comprise a broadly diversified investment portfolio of either shares, bonds or real estate securities and is constructed using an indexed investment methodology.

ETFs seek to combine the best features of index managed funds and listed shares in one investment. They are index funds which come with the benefits of relatively low cost, broad diversification, transparency and tax efficiency. However, unlike traditional index funds which are priced only once per day, ETF securities trade on a stock exchange so they can be bought and sold at any time during the trading day at prevailing market prices. ETFs carry certain risks (refer to the section 'Risks' on page 12 for further details).

Who is Vanguard?

Vanguard (the product issuer) is a wholly owned subsidiary of VGI. VGI is based in the United States and as at 31 March 2011 managed more than AUD 1.7 trillion for nearly 25 million individual and institutional accounts.

Over the past 35 years VGI has grown to be one of the world's largest and most respected investment management companies. VGI now has a global presence with offices in the United States, Australia, Asia and Europe. In Australia, Vanguard has been helping investors meet their long-term financial goals with low cost indexing solutions for nearly 15 years.

VGI first launched ETFs in the United States in 2001. As at 31 December 2010, VGI had over 60 ETFs valued at over USD 148 billion and was the third largest ETF provider in the United States. Vanguard launched its initial range of ETFs in the Australian market in 2009. As at 31 December 2010, Vanguard had 4 ETFs valued at over AUD 280 million.

Vanguard US Total Market Shares Index ETF

The ETF offered in this Prospectus is:

	Investment objective	Underlying Index	Management costs*	Total Annual Fund Operating Expenses*
Vanguard US Total Market Shares Index ETF ASX code VTS	Seeks to track the performance of a benchmark Index that measures the investment return of the overall US stock market.	The MSCI® US Broad Market Index represents 99.5% or more of the total market capitalisation of all US common stocks regularly traded on the New York Stock Exchange and the Nasdaq over-the-counter market.	0.06% p.a.	0.07% p.a.

* Refer to the section 'Fees and Expenses' below.

The Vanguard US Total Market Shares Index ETF referred to in the above table is the name given to the CDIs that are quoted on the AQUA market of the ASX (refer to page 10 for further details on CDIs). CDIs facilitate the buying and selling of US ETF Securities issued by a US fund called the Vanguard Total Stock Market Index Fund, a series of Vanguard Index Funds, a Delaware Statutory Trust (US Fund).

The US ETF Securities are listed on NYSE Arca (a subsidiary of the New York Stock Exchange).

The information above is referenced from the US Prospectus for the US ETF Securities. For further information regarding the investment objectives and the fees and expenses, please refer to the US Prospectus.

Fees and Expenses

The following table sets out the fees and expenses of the US ETF Securities at the date of this Prospectus:

Vanguard ETF	Vanguard US Total Market Shares Index ETF
US ETF	Vanguard Total Stock Market ETF
Management expenses	0.03%
Other expenses	0.03%
Total Management Costs*	0.06%
Acquired Fund Fees and Expenses	0.01%
Total Annual Fund Operating Expenses	0.07%

* Management Costs are deducted from the assets of the US Fund

Management Costs are expressed as a percentage of the US ETF Security's average net assets during the relevant period. Management Costs include management expenses, such as advisory fees, account maintenance, reporting, accounting, legal, and other administrative expenses and any distribution fees. They do not include the transaction costs of buying and selling portfolio securities.

As Management Costs are expressed as a percentage of the average net assets of the US ETF Security and the value of those assets may change

over time, the actual Management Costs for a period may be higher or lower than shown in the table above.

The Total Annual Fund Operating Expenses for the US Fund are 0.07% per annum. Of that 0.07%, 0.06% are Management Costs. The other 0.01% represents Acquired Fund Fees and Expenses, which are expenses incurred indirectly by the US Fund through its ownership of shares in other investment companies, which charge expenses of their own. Acquired Fund Fees and Expenses are

not direct costs paid by investors and they are not deducted from the assets of the US Fund.

The US Securities Exchange Commission (SEC) rules require that any expenses incurred through ownership of shares in other investment companies be included in a fund's expense ratio as Acquired Fund Fees and Expenses.

For additional information about Fees and Expenses of the US ETF Securities, please see the US Prospectus.

Investors should note that buying and selling CDIs in the secondary market will incur brokerage and other costs. Refer to the section 'Applications and Redemptions' on page 14.

Who is involved in the ETF process?

The role of Vanguard is to be the issuer of the cross-listed US ETF Securities, via CDIs, into the Australian market (refer to page 10 for further details). To accomplish this, Vanguard has entered into an Intermediary Authorisation Agreement with VGI. Neither the US Fund nor VGI will hold an Australian Financial Services Licence (AFSL).

Other roles of Vanguard are to:

- contract with relevant parties in Australia to ensure that the CDIs are properly created for the Australian market,
- contract with an appropriate share registry to ensure that the relevant investor details are maintained in regard to the CDIs that are quoted on the AQUA market of the ASX, and
- help maintain an efficient trading market by assigning at least one market maker.

VGI, either itself or through a subsidiary, will manage the investments of the US Fund and process the creation and redemption orders of the US ETF Securities in the US.

The US ETF Securities are held by **Depository Trust Company** (DTC) which is a limited purpose trust company that was created in the US to hold the securities of its participants (refer to page 10 for further details).

Computershare Trust Company, N.A. (a DTC Participant) has entered into a Custody Agreement with **CHESS Depository Nominees Pty Limited** (CHESS Depository Nominees), such that CHESS Depository Nominees becomes the holder of the underlying US ETF Securities that will be cross-listed into the Australian market.

Computershare Investor Services Pty Limited (Computershare) has been engaged by Vanguard under a Share Registry Agreement to maintain the Australian register of CDI holders and provide services to investors (including facilitating payment of any distributions) in relation to their CDI holdings. Computershare keeps investor records including the quantity of securities held by an investor and how the securities are held. Computershare's role is to also facilitate the transfer of US ETF Securities, created in the US, for transacting in Australia.

Contact Details

Product Issuer	Vanguard Investments Australia Ltd Level 34, Freshwater Place 2 Southbank Boulevard, Southbank Vic 3006
Share Registrar	Computershare Investor Services Pty Limited Yarra Falls, 452 Johnston Street, Abbotsford Vic 3067

AQUA market of the ASX

The ASX on 15 September 2008 introduced a market service to provide managed funds, ETFs and structured products a more tailored framework for the quoting of these products on the ASX market and access to back office clearing and settlement services offered by the ASX.

The key distinction between products admitted under the ASX Listing Rules and those quoted under Schedule 10A of the ASX Operating Rules (AQUA Rules) is the level of influence that the issuer has over the underlying instrument.

An equity issuer under the ASX Listing Rules controls the value of its own securities and the business it runs and the value of those securities is directly influenced by the equity issuer's performance and conduct. For example, a company's management and board generally control the company's business and therefore have direct influence over the company's share price.

A product issuer under the AQUA Rules does not control the value of the assets underlying the products but offers products that give investors exposure to the underlying assets. The value (price) of products quoted under the AQUA Rules is dependent upon the performance of the underlying assets rather than the financial performance of the issuer itself. For example, a managed fund issuer does not control the value of the shares it invests in.

The following information highlights the key differences between the effect of listing under the ASX Listing Rules and quotation under the AQUA Rules.

INFORMATION	Issuers of products governed under ASX Listing Rules	Issuers of products governed under ASX AQUA Rules
Continuous Disclosure	<ul style="list-style-type: none"> ■ Subject to the continuous disclosure requirements under Listing Rule 3.1 and section 674 of the <i>Corporations Act</i>. 	<ul style="list-style-type: none"> ■ Not subject to Listing Rule 3.1 and section 674 of the <i>Corporations Act</i>. ■ Subject to AQUA Rules Schedule 10A.4.4 and 10A.6.3 and section 675 of the <i>Corporations Act</i>.
Periodic Disclosure	<ul style="list-style-type: none"> ■ Required to disclose half yearly and annual financial information or annual reports under Chapter 4 of the Listing Rules. 	<ul style="list-style-type: none"> ■ Not required to disclose half yearly and annual financial information or annual reports under the Listing Rules. ■ Copies of the US Fund's Annual and Semi-Annual Reports filed with the SEC in the US will be disclosed via the ASX's Company Announcements Platform.
Corporate Control	<ul style="list-style-type: none"> ■ Requirements in the <i>Corporations Act</i> and the Listing Rules relating to takeover bids, share buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings apply. 	<ul style="list-style-type: none"> ■ Subject to general requirement to provide the ASX with any information concerning itself that may lead to the establishment of a false market or materially affect price.
Related Party Transactions	<ul style="list-style-type: none"> ■ Chapter 10 of the Listing Rules specifies controls over related party transactions. 	<ul style="list-style-type: none"> ■ Chapter 10 of the Listing Rules does not apply to AQUA Products.
Auditor Rotation Obligations	<ul style="list-style-type: none"> ■ Requirements relating to auditor rotation under Division 5 of Part 2M.4 of the <i>Corporations Act</i> apply. 	<ul style="list-style-type: none"> ■ Not subject to Division 5 of Part 2M.4 of the <i>Corporations Act</i>.

Market Maker

The AQUA Rules Schedule 10A contain certain market making requirements. A market maker's role is to satisfy supply and demand for CDIs. They do this by fulfilling two key functions:

- Providing liquidity to the market by acting as the buyer and seller of CDIs throughout the day; and
- Creating and redeeming US ETF Securities off-market to ensure the number of CDIs on issue matches supply and demand.

Market makers seek to provide continuous liquidity to the market. The process begins with the issuer distributing a net asset value per US ETF Security to the market every day, allowing market makers to price the underlying US ETF Security. Market makers place a bid-offer spread around the intrinsic value of the US ETF Security and send these prices to the stock exchange as orders. The orders are published to market, and investors can either execute orders by trading with a market maker or by sending their own orders to the exchange for display (consistent with ASX order handling rules). Market maker orders are updated continuously throughout the day to reflect price changes in the underlying securities.

In selecting market makers for the Vanguard US Total Market ETF, Vanguard focuses on firms experienced in market making in both Australia and international markets. Most importantly, the firms selected by Vanguard currently make markets on the ASX in existing Australian based ETF products and have arrangements with the ASX to operate in this capacity. Internationally, the market makers selected will also have experience in markets such as the New York Stock Exchange.

CHESSE Depositary Interests (CDIs)

Investors in the Vanguard US Total Market ETF offered in this Prospectus will hold a CDI rather than a US ETF Security. CDIs are Australian financial instruments designed to give its holders rights and entitlements in relation to holding US ETF Securities. A Depositary Nominee holds title on behalf of CDI holders. In the case of the US ETF Securities, the nominee is CHESSE Depositary Nominees Pty Limited.

CDI holders are not holders of the US ETF Security. Some entitlements accrue to holders of US ETF Securities directly such as voting rights and corporate actions. This can alter the entitlements of a CDI holder.

In relation to **voting**, if a meeting of holders of US ETF Securities is convened, each holder of CDIs will be given notice of the meeting via the DTC system. The notice will include a form permitting the CDI holder to direct the Depositary Nominee to cast, or authorise or arrange the casting of, proxy votes in accordance with the CDI holder's written directions. Only holders of US ETF Securities (as shown on DTC records or DTC Participant records) or their proxies can attend and vote at meetings of holders of US ETF Securities.

In relation to **corporate actions** such as bonus issues, rights issues and capital reconstructions, some rights accrue directly to the holders of the US ETF Securities. These rights may not accrue directly to the holder of the CDI. Under the ASX Settlement Operating Rules, all economic benefits such as dividends, bonus issues, rights issues or similar corporate actions must flow through to CDI holders as if they were the holders of the corresponding US ETF Securities.

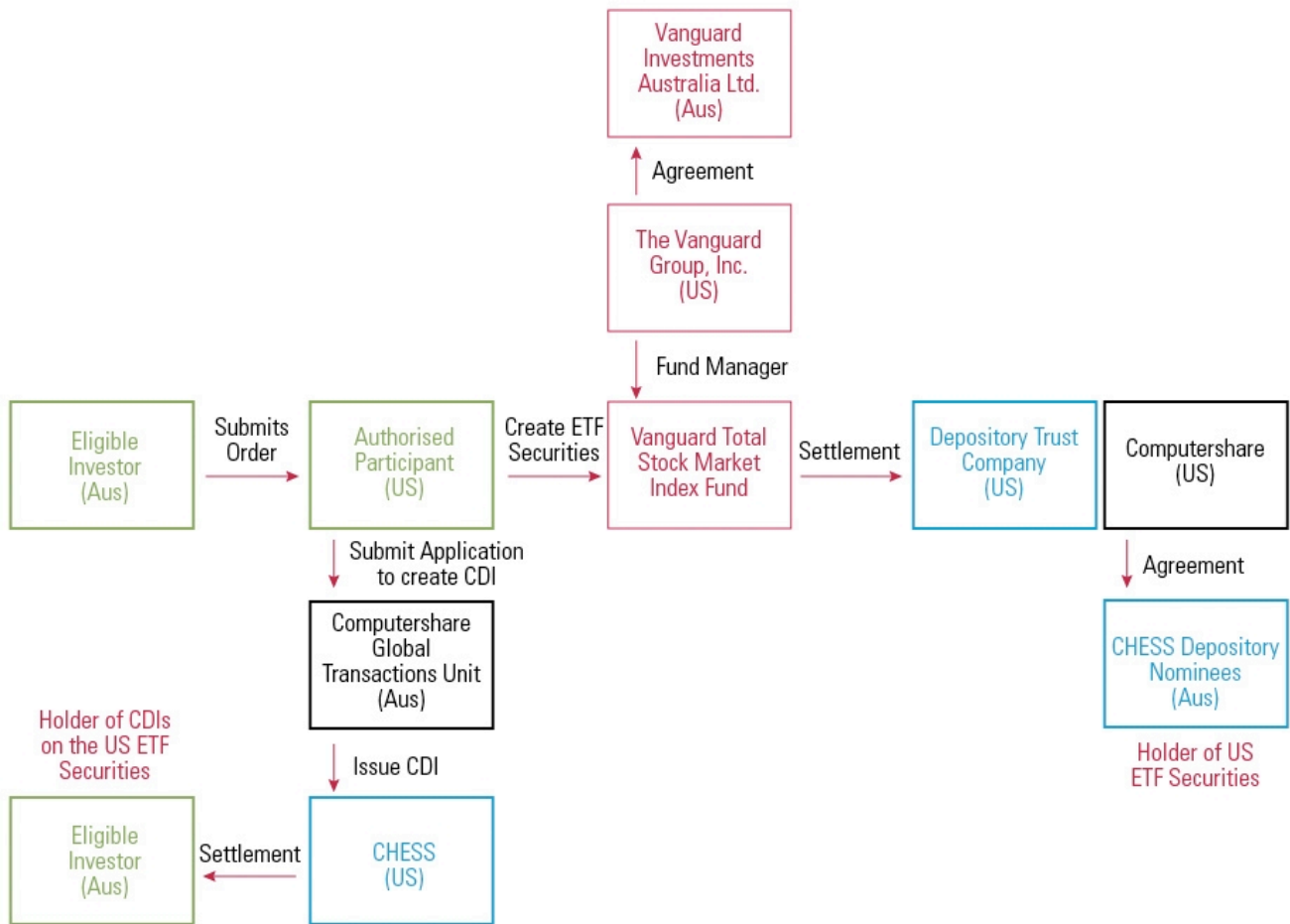
CDIs may be held in uncertificated form on either the Issuer Sponsored Subregister or the CHESSE Subregister, which together make up the Australian CDI Register (maintained by Computershare).

Depositary Trust Company (DTC)

DTC, a limited-purpose trust company, was created in the US to hold securities owned on record by its participants (DTC Participants) and to facilitate the clearance and settlement of securities transactions among the DTC Participants in such securities through electronic book entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Excluding the Australian branch offices of major overseas DTC Participants, there are few (if any) Australian entities who are DTC Participants.

CDI creation process

The following diagram illustrates the CDI creation process.



Risks

Investors in the Vanguard US Total Market ETF face a number of investment risks. It is important to keep in mind one of the main principles of investing: the higher the potential reward, the higher the risk of losing money. The reverse is also generally true: the lower the risk, the lower the potential reward. An investment in ETFs could lose money over short or even long periods.

The price of an ETF can fluctuate within a wide range, like fluctuations of the overall stock market. When considering an investment in the Vanguard US Total Market ETF, personal tolerance for fluctuating market values should be taken into account.

There is no guarantee that the value of investment capital will be maintained.

The risks described in the US Prospectus for the US Fund are:

- Stock market risk
- Index sampling risk
- ETF trading risks

The above risk descriptions are incorporated by reference into this Prospectus pursuant to section 712 of the *Corporations Act*. It is important that prospective investors are aware of these risks.

Additional risks in regard to the offer in Australia are contained in the following table:

Type of risk	Description
Currency risk	<p>Fluctuations in the value of the Australian dollar and foreign currencies can affect the returns from overseas investments. This is because losses or gains must be converted back into Australian dollars.</p> <p>The Vanguard US Total Market ETF offered in this Prospectus does not hedge any of its exposure to foreign currencies.</p> <p>A weaker Australian dollar increases the value of investments held in non-Australian dollars and therefore benefits the Australian investor holding non-Australian dollar denominated assets, such as international shares. Conversely, if the value of the Australian dollar rises, the value of investments held in non-Australian dollar denominated assets will fall.</p> <p>Fluctuations in the exchange rate between when a distribution is paid on the US ETF security and when these distributions are converted into Australian dollars by Computershare for holders of CDIs can also result in foreign currency gains and losses arising for holders of CDIs. This is discussed in further detail in the section entitled “How to transact with Vanguard” under the heading “Distributions” on page 14.</p>
Regulatory and tax risk	<p>This is the risk that a government or regulator may introduce regulatory and tax changes or a court makes a decision regarding the interpretation of the law that affects the value of securities in which the fund invests, the value of the interests in the Vanguard US Total Market ETF, or the tax treatment of the investment in the Vanguard US Total Market ETF.</p> <p>The US Fund may be affected by changes to legislation or government policy both in Australia and in other countries. These changes are monitored by Vanguard and action is taken, where appropriate, to facilitate the achievement of the fund's objectives.</p>

Type of risk	Description
Trading risk	<p>In certain circumstances, the ASX and/or other exchanges may suspend the trading of CDIs and therefore investors will not be able to buy or sell the CDIs on the ASX.</p> <p>The ASX also imposes certain requirements for the Vanguard US Total Market ETF to continue to be quoted. Vanguard will endeavour to meet these requirements at all times to ensure the Vanguard US Total Market ETF remains quoted.</p> <p>There can be no assurances that there will always be a liquid market for securities traded on the AQUA market. Vanguard has appointed a market maker to assist in maintaining liquidity for the Vanguard US Total Market ETF on the ASX, but there is no guarantee that the market maker will be able to maintain liquidity.</p> <p>The net asset value of the US ETF Securities may differ from the trading price of the CDIs on the ASX. The trading price is dependent on a number of factors including the demand and supply of the CDIs, investor confidence and how closely the value of the assets of the US Fund tracks the performance of the index.</p>

How to transact with Vanguard

Applications and redemptions

Interests in the US Fund are issued and redeemed in large blocks known as creation units. To purchase or redeem a creation unit you must be an Authorised Participant or you must trade through a broker that is an Authorised Participant. An Authorised Participant is a participant in the Depository Trust Company (DTC) that has executed a Participant Agreement with VGI.

As Eligible Investors cannot directly create or redeem a creation unit, they will need to facilitate this process via a counterparty in the US that is a registered Authorised Participant.

To transact in interests in the Vanguard US Total Market ETF, an Eligible Investor must contact an

Authorised Participant to apply for or redeem US ETF Securities. The Authorised Participant will then arrange for the purchase/redemption of US ETF Securities with VGI. These US ETF Securities issued by the US Fund will be held by Computershare Trust Company, N.A. on behalf of the Eligible Investor (in the name of CHESSE Depository Nominees). The equivalent value of CDIs (1 US ETF security for 1 CDI) will then be issued to the Eligible Investor. Please see page 11 for a diagram that illustrates the CDI creation process.

Please note that transaction fees may apply to Eligible Investors in Australia when the Authorised Participant trades on their behalf. These costs are negotiable directly with the relevant Authorised Participants.

The number of US ETF Securities in a creation unit, the creation unit value and the transaction fee for the US ETF Securities offered in this Prospectus is detailed below:

US ETF Security	Size of Creation Unit	Creation Unit Value*	Transaction Fee
Vanguard Total Stock Market ETF	100,000	USD 6,869,000	USD 500

* This value is at 31/03/2011

For further details on the application and redemption process, please contact Vanguard Client Services on 1300 655 888 who can assist you with the process.

Investors who are not Eligible Investors can acquire, via the secondary market, CDIs of the Vanguard US Total Market ETF which are publicly traded via the ASX. To acquire a US ETF security in the form of a CDI, investors will need to have a brokerage account.

When investors buy or sell CDIs on the secondary market, brokers will charge a brokerage fee. Investors may also incur the cost of the 'bid-offer spread' which is the difference between the price at which the broker will purchase the security and the higher price at which the broker will sell the security. In addition, because the secondary market transactions occur at market prices, investors may pay more or less than the Net Asset Value when buying a CDI and receive more or less than the Net Asset Value when selling it.

Distributions

Distributions from the US Fund are generally calculated quarterly in March, June, September and December. Distributions may be paid at other times.

The distributions payable in respect of the CDIs quoted on the ASX will be declared and paid by the US Fund in US dollars, and converted by Computershare into Australian dollars prior to payment to holders of CDIs.

CDI holders will generally receive distribution payments (to which they are entitled) within 20 trading days following the record date in Australia. The value of the Australian dollar distribution payment is dependent on the prevailing foreign exchange rate a few days prior to the payment date. That is, the dollar amount of the distribution will first be determined and paid by the US Fund in US dollars and Computershare will then convert this into Australian dollars before making the distribution payment to holders of CDIs.

From time to time, the foreign exchange rate can be volatile and the exchange rate when the distribution is declared and paid by the US Fund may differ from the prevailing foreign exchange rate at the date at which the distribution is converted into Australian dollars. This can give rise to foreign currency gains and losses for holders of CDIs in some circumstances.

Payment of distributions will be generally made by direct credit into a nominated Australian bank account. A distribution reinvestment plan is not available in regard to the Vanguard US Total Market ETF offered in this Prospectus.

Please refer to the 'Investor Taxation' section on page 16 for information on the tax consequences of receiving distributions from the US Fund.

Investor Taxation

The taxation information in this Prospectus is provided for general information only. It is a broad overview of some of the Australian and US tax consequences associated with investing in the Vanguard US Total Market ETF offered in this Prospectus, and is not intended to provide an exhaustive or definitive statement as to all the possible tax outcomes for investors.

It does not take into account the specific circumstances of each person who may invest in the Vanguard US Total Market ETF and should not be used as the basis upon which potential investors make a decision to invest in the Vanguard US Total Market ETF. As each investor's circumstances are different, Vanguard strongly recommends that an investor obtains independent professional tax advice concerning the tax implications of investing in and dealing in interests in the Vanguard US Total Market ETF, particularly if an investor is not a resident of Australia or is a 'temporary resident' of Australia for tax purposes.

The Australian and US taxation information in this Prospectus have been prepared based on tax laws and administrative practice available at the date of this Prospectus. Any changes in the tax law or administrative practice that are announced subsequent to this date may alter the taxation information provided in this Prospectus.

Taxation of Australian tax resident investors

The taxation information provided in this Prospectus relates to Australian tax residents. Investors who are foreign residents should seek independent professional advice in relation to their specific circumstances.

US Tax Treatment

Further information regarding US taxation matters is contained in the US Prospectus.

Distributions from the ETF

Distributions received from the US Fund by an Australian tax resident investor in the Vanguard US Total Market ETF should be treated as assessable foreign sourced income for the Australian tax resident investor in the tax year in which the distribution has been received.

The amount on which an Australian tax resident investor is assessed on a distribution for Australian tax purposes should be the amount of the dividend distributions received during the tax year gross of any US withholding tax deducted. Australian tax resident investors may be entitled to claim an offset against the Australian tax payable on their foreign sourced income for any US tax withheld, as described below, from distributions made to the Australian tax resident investor. Please see an Australian tax adviser in order to determine whether benefits of any tax offsets for US tax withheld from distributions in the Vanguard US Total Market ETF can be obtained.

The US generally imposes withholding tax at a 30% rate on dividends paid by US corporations to non-US persons, but this rate may be reduced to 15% under the Australia/US income tax treaty. Australian tax resident investors may be required to complete US tax forms if they would like access to the reduced rate under the treaty. The US Fund distributes its portfolio income and short-term capital gains as a dividend subject to the applicable US withholding rate. Unlike those distributions, long-term capital gains distributions will not be subject to US withholding tax.

In very limited circumstances, distributions from the US Fund could include amounts that constitute a return of capital. Vanguard will notify investors if any distribution from the US Fund includes a return of capital. The receipt of a return of capital may, for some Australian tax resident investors, have different tax consequences than other distributions from the US Fund. You should seek advice from an Australian tax adviser for further details regarding the tax consequences of receiving a return of capital from the US Fund.

Distributions paid by the Vanguard US Total Market ETF to Australian tax resident investors will be paid

by the US Fund in US dollars, but then converted into Australian dollars by Computershare prior to payment to Australian tax resident investors. The distribution payment advice will show the gross distribution amount, tax withheld and net distribution amount in US dollars, the exchange rate at the time the distribution was paid by the US Fund in US dollars and the exchange rate used to convert the net distribution to Australian dollars. Investors may use these exchange rates to convert the gross distribution and tax withheld to Australian dollars for tax return purposes, and to determine the amount of any foreign currency gains or losses that may arise for the Australian tax investor in respect of the distribution.

The US Fund is a Regulated Investment Company ("RIC") under subchapter M of the Internal Revenue Code of 1986 in the US and intends to continue to qualify as a RIC in the future. As a result, the US Fund expects to benefit from special US tax rules that will generally cause it to pay no US tax on its income or gains. However, distributions may be subject to withholding tax as described above.

The US Fund may also be subject to withholding taxes on income earned by the US Fund outside of the US. The distributions paid by the Vanguard US Total Market ETF to Australian tax resident investors will be net of withholding taxes payable by the US Fund on the receipt by the US Fund of its non-US income.

Foreign accruals regimes

Generally, under the previous foreign investment fund ("FIF") regime, Australian tax resident taxpayers may be assessed on their portion of gain in the value of interests in certain foreign companies and foreign trusts at the end of the tax year, even though those gains are unrealised. However, interests in the Vanguard US Total Market ETF were generally exempt from the FIF regime on the basis that the US Fund was a RIC.

The FIF rules have been repealed effective from 1 July 2010. At the date of this Prospectus, the Government has released an exposure draft in relation to a new "foreign accumulation fund" rule which is proposed to replace the repealed FIF rules.

It is proposed that the "anti-roll-up" rule will apply from the date from which the FIF rules were repealed. At the date of this Prospectus, the "anti-roll-up" rule is still in draft form and its final form is unknown.

Vanguard does not anticipate, based on the version of the exposure draft for the "foreign accumulation fund" rule that is available at the date of this Prospectus, that CDIs in the Vanguard US Total Market ETF would be subject to the "anti-roll up" rule. Investors should monitor developments in relation to the "anti-roll up" rule as the terms of this rule which becomes law may be different.

Selling or transferring CDIs

If an Australian tax resident investor in the Vanguard US Total Market ETF disposes of their CDIs by selling or otherwise transferring the CDIs to another person (e.g. if they sell their CDIs on-market), the investor may be liable for tax on any gains realised on the disposal of those CDIs.

For investors who do not hold their CDIs on capital account for income tax purposes (e.g. if the investor is in the business of dealing in securities such as CDIs), any gains realised on the disposal of CDIs should be assessable as ordinary income. Where investors who hold their CDIs on revenue account incur a loss in respect of dealings in their CDIs, this loss may, subject to certain integrity requirements, be available to offset current or future assessable income amounts.

For investors who hold their CDIs on capital account for income tax purposes, a capital gain or loss may be made on the disposal of their CDIs. Some investors may be eligible for the CGT discount (50% for individuals and certain trusts and 33.33% for complying superannuation funds) if the CDIs are held for at least 12 months before they are disposed of and the other relevant requirements are satisfied. Investors should obtain independent professional tax advice about the availability of the CGT discount.

Any capital loss arising on a disposal of CDIs may only be offset against capital gains made in that year or subsequent years.

US estate tax

US estate tax may apply to an individual who is neither a US citizen nor domiciled in the US and, at the time of death, is the beneficial owner of the US ETF Securities. The amount of the estate tax may be determined by the value of the US ETF Securities owned at death and may be reduced under an Australia/US estate tax treaty. Certain US tax laws, called the “estate tax look-through rules”, may also provide such individuals relief from the estate tax to the extent the US Fund’s investments are in assets that would be treated as situated outside the US if held directly by these individuals (for example, stock issued by corporations outside the US).

However, these estate tax look-through rules are subject to periodic extension by the US Congress and could expire in the future.

All investors should seek professional tax advice in relation to the US estate tax rules, including in relation to whether the tax may not apply to US ETF Securities held indirectly through certain estate-planning structures.

Other information you need to know

Financial information

Financial information for the US Fund appears in the Annual Report of the US Fund. This report can be found on Vanguard's website at www.vanguard.com.au. Outlined below is a summary of the financial accounts:

US Fund	Vanguard Total Stock Market Index Fund
Date	31 Dec 2010
Net Assets of Fund	USD 150.4 billion*
Net Assets of ETF class	USD 17.9 billion*
Outstanding ETF Shares	276.5 million*
NAV price per ETF Share	USD 64.86

*These are rounded figures. For additional financial information about the US Fund, please see the US Prospectus.

Financial statements of the US Fund

The Financial Statements and Notes contained in the Annual Report of the US Fund are incorporated by reference into and are deemed for US legal purposes to be part of the Company's Statement of Additional Information (SAI). However, for the purpose of section 712 of the *Corporations Act*, this Prospectus does not refer to and therefore excludes the Annual Reports of the US Fund.

Interests of Directors

The table on page 20 shows information about the Trustees of the US Fund. Further details about the Trustees and officers of the US Fund (and details of their remuneration) are referred to in the US Prospectus and SAI.

The table on page 22 shows the profiles of the directors of Vanguard.

Except as set out in this Prospectus, the US Prospectus, or the SAI, as may be updated:

- no Trustee of the US Fund or director of Vanguard has had in the last 2 years before lodgement of this Prospectus, an interest in:
 - the formation or promotion of Vanguard, VGI, the US Fund or the Vanguard US Total Market ETF;

- the offer in this Prospectus, or
- any property acquired or proposed to be acquired by Vanguard, VGI, the US Fund or the Vanguard US Total Market ETF in connection with its formation or promotion of the offer in this Prospectus, and

- no amounts, whether in cash or shares or otherwise have been paid or agreed to be paid (by anyone), and no benefit has been given or agreed to be given (by anyone), to any Trustee of the US Fund or director of Vanguard, either to induce them to become, or to qualify as, a trustee, a director, or otherwise for services provided by them in connection with the promotion or formation of Vanguard, VGI, the US Fund or the Vanguard US Total Market ETF or the offer in this Prospectus.

The Trustees of the US Fund and the directors of Vanguard have given and not withdrawn their consent to lodge this Prospectus with ASIC.

Interests of US Fund Trustees

The following table provides information about the Trustees of the US Fund.

Name, Year of Birth	Current Position	Trustee Officer Since	Principal Occupation(s) and Outside Directorships During the Past Five Years
Interested Trustee			
F. William McNabb III (1957)	Chairman of the Board, Chief Executive Officer, and President	July 2009	Mr. McNabb has served as Chairman of the Board of VGI and of each of the investment companies served by VGI, since January 2010; Trustee of each of the investment companies served by VGI, since 2009; Director of VGI since 2008; and Chief Executive Officer and President of VGI and of each of the investment companies served by VGI, since 2008. Mr. McNabb also serves as Director of Vanguard Marketing Corporation. Mr. McNabb served as a Managing Director of VGI from 1995 to 2008. Mr. McNabb's 24 years with VGI and his position as chief executive officer of VGI and the Vanguard funds give him intimate experience with the day-to-day management and operations of the Vanguard funds.
Mr. McNabb is considered an "interested person", of the US Fund, as that term is defined in the <i>Investments Company Act 1940</i> (in the US), because he is an officer of the US Fund.			
Independent Trustees			
Emerson U. Fullwood (1948)	Trustee	January 2008	Mr. Fullwood is the former Executive Chief Staff and Marketing Officer for North America and Corporate Vice President (retired 2008) of Xerox Corporation (document management products and services). Previous positions held at Xerox by Mr. Fullwood include President of the Worldwide Channels Group, President of Latin America, Executive Chief Staff Officer of Developing Markets, and President of Worldwide Customer Services. Mr Fullwood is the Executive in Residence and 2010 Distinguished Minett Professor at the Rochester Institute of Technology. Mr. Fullwood serves as a director of SPX Corporation (multi-industry manufacturing), Amerigroup Corporation (managed health care), the University of Rochester Medical Center, Monroe Community College Foundation, the United Way of Rochester and North Carolina A&T University. Mr. Fullwood brings to the board particular experience with marketing, organizational development, and operations management.
Rajiv L. Gupta (1945)	Trustee	December 2001	Mr. Gupta is the former Chairman and Chief Executive Officer (retired 2009) and President (2006–2008) of Rohm and Haas Co. (chemicals). Mr. Gupta serves as a director of Tyco International, Ltd. (diversified manufacturing and services), and Hewlett-Packard Company (electronic computer manufacturing); as Senior Advisor at new Mountain Capital; as a trustee of The Conference Board; and on the Board of Managers of Delphi Automotive LLP (automotive components). Mr. Gupta brings to the board particular experience with finance, capital markets, and global operations.
Amy Gutmann (1949)	Trustee	June 2006	Dr. Gutmann serves as the President of the University of Pennsylvania. She is the Christopher H. Browne Distinguished Professor of Political Science in the School of Arts and Sciences with secondary appointments at the Annenberg School for Communication and the Graduate School of Education at the University of Pennsylvania. Dr. Gutmann also serves as a director of Carnegie Corporation of New York, Schuylkill River Development Corporation, and Greater Philadelphia Chamber of Commerce; and as a trustee of the National Constitution Center. Dr. Gutmann is Chair of the Presidential Commission for the Study of Bioethical Issues. Dr. Gutmann brings to the board particular experience with community and organizational development, education, ethics, and public policy.

Interests of US Fund Trustees (Continued)

Name, Year of Birth	Current Position	Trustee Since	Principal Occupation(s) During the Past Five Years and Outside Directorships
Independent Trustees			
JoAnn Heffernan Heisen (1950)	Trustee	July 1998	Ms. Heisen is the former Corporate Vice President and Chief Global Diversity Officer (retired 2008) and a former Member of the Executive Committee (1997-2008) of Johnson & Johnson (pharmaceuticals/consumer products). Ms. Heisen served as Vice President and Chief Information Officer of Johnson & Johnson from 1997 to 2005. Ms Heisen serves as a director of Skytop Lodge Corporation (hotels), the University Medical Center at Princeton, the Robert Wood Johnson Foundation, and the Center for Work Life Policy; and as a member of the advisory board of the Maxwell School of Citizenship and Public Affairs at Syracuse University. Ms. Heisen brings to the board particular experience with human resources, and financial and information technology matters.
F. Joseph Loughrey (1949)	Trustee	October 2009	Mr. Loughrey is the former President and Chief Operating Officer (retired 2009) and Vice Chairman of the Board (2008–2009) of Cummins Inc. (industrial machinery). Mr. Loughrey serves as a director of SKF AB (industrial machinery), Hillenbrand, Inc. (specialized consumer services), the Lumina Foundation for Education, and Oxfam America; and as Chairman of the Advisory Council for the College of Arts and Letters and Member of the Advisory Board to the Kellogg Institute for International Studies at the University of Notre Dame. Mr Loughrey serves as a director of Sauer-Danfoss Inc (machinery) from 2000 to 2010, and of Tower Automotive Inc. (manufacturer of automobile components) from 1994 to 2007. Mr. Loughrey brings to the board particular experience with global operations, technology, and risk and human resources management.
André F. Perold (1952)	Trustee	December 2004	Mr. Perold is the George Gund Professor of Finance and Banking at the Harvard Business School, and Chair of the Investment Committee of HighVista Strategies LLC (private investment firm). From 2003 to 2009, Mr. Perold served as chairman of the board of UNX, Inc. (equities trading firm). Mr. Perold brings to the board particular experience with investment management and finance.
Alfred M. Rankin, Jr. (1941)	Lead Independent Trustee	January 1993	Mr. Rankin serves as Chairman, President, and Chief Executive Officer of NACCO Industries, Inc. (forklift/ trucks/ housewares/ lignite). Mr. Rankin also serves as a director of Goodrich Corporation (industrial products/ aircraft systems and services) and the National Association of Manufacturers; Chairman of the Federal Reserve Bank of Cleveland; Vice-Chairman of University Hospitals of Cleveland; and President of the Board of The Cleveland Museum of Art. Mr. Rankin brings to the board particular experience with finance, capital markets, and risk and operations management.
Peter F. Volanakis (1955)	Trustee	July 2009	Mr. Volanakis is the retired President and Chief Operating Officer (retired 2010) of Corning Incorporated (communications equipment). Mr. Volanakis served as a director of Corning Incorporated (2000-2010) and of Dow Corning (2001-2010). Mr Volanakis serves as Overseer of the Amos Tuck School of Business Administration at Dartmouth College. Mr. Volanakis brings to the board particular experience with international operations, marketing, and corporate development.

Directors of Vanguard

The table below provides information about the directors of Vanguard.

Name	Current Position	Board member since:	Principal Occupation(s) and Outside Directorships
John M. James	Director	2010	Managing Director, Vanguard Investments Australia Ltd; Head of Broker-Dealer Sales and Distribution, Vanguard Financial Advisor Services (2008-2010); Chief Executive Officer, Port Adelaide Football Club (2004-2008); General Manager, Corporate Solutions, MLC (2000-2004).
Joseph P. Brennan	Director	2009	Chief Investment Officer, Vanguard Investment Australia Ltd (since 2009); Principal, Head of Portfolio Review Department, The Vanguard Group, Inc. (2004 – 2009).
James M. Norris	Director	2008	Head of International, The Vanguard Group (since 2008); Head of Vanguard Institutional Retirement Plan Services (2004-08, including six months as Principal, Vanguard's Institutional Retirement Business); Member of the M.B.A. advisory board for Saint Joseph's University; Board member of Triskeles Foundation.
Glenn W. Reed	Director	2008	Managing Director, VGI's Strategy and Finance Group (since 2007); General counsel for a multi-line health and life insurance company (1999-2007); Partner at Gardner, Carton & Douglas (1978-1999).
Kathryn A. Watt	Director	2009	Principal, General Counsel and Company Secretary, Vanguard Investments Australia Ltd (since 1999); Director of Regnan Governance Research & Engagement Pty Ltd (since 2007); Director of Ruyton Girls' School (since 2009). Director, Skin and Cancer Foundation Victoria (since 2005).

Interests of other parties

Vanguard is an Australian financial services licensee and the product issuer of the CDIs. Vanguard will receive from VGI an amount equal to all costs incurred by Vanguard in relation to being the issuer of the cross-listed ETF plus a margin as agreed from time to time.

Consents

Computershare Investor Services Pty Limited has given and not withdrawn its consent to be named in this Prospectus in the form and context in which all references to its name appear and takes no responsibility for any part of this Prospectus other than references to its name.

MSCI has given and not withdrawn their consent to the statements relating to MSCI on page 24 of the PDS in the format and context in which they appear.

Consents to lodge Prospectus

This Prospectus has been prepared by Vanguard. Each of the Trustees of the US Fund and the directors of Vanguard has consented to the lodgement of this Prospectus with ASIC.

Incorporating other documents

The US Prospectus and SAI are referred to and incorporated by reference in this Prospectus under section 712 of the *Corporations Act*. The SAI is incorporated by reference into its US Prospectus and for US legal purposes is a part of the US Prospectus.

The US Prospectus and the SAI have been lodged with ASIC, and this Prospectus simply refers to parts of these documents instead of setting out the information that is contained in them. The information below is provided to allow a person to whom the offer is made to decide whether to obtain a copy of either the US Prospectus or the SAI.

The US Prospectus contains information regarding:

- The US Fund's investment objective, fees and expenses, primary investment strategies, risks, performance and investment advisor; purchases and sale of the fund shares; and US tax information.

- US ETF Securities and how they differ from conventional mutual fund securities.
- How to buy and sell US ETF Securities.
- Share class overview, market exposure, security selection, cash management and other investment policies and risks.
- Further details on special risks of US ETF Securities, purchasing and selling US ETF securities on the secondary market, conversion privilege, portfolio holdings disclosure and turnover rate.
- VGI and its corporate structure.
- Fund distributions and the reinvestment of distributions.
- Basic US tax points.
- How the US Fund's net asset value is determined.
- Highlights from the US Fund's financial statements.

The SAI contains information regarding:

- The US Fund's organisational structure and service providers.
- Characteristics of the US Fund's securities.
- US tax status of the US Fund.
- The US Fund's fundamental and non-fundamental policies ("fundamental" policies are those that cannot be changed without shareholder approval).
- The purchase and redemption of the US Fund's non-ETF securities.
- Management of the US Fund.
- Officers and trustees of the US Fund, trustee compensation and trustee ownership of fund securities.
- Portfolio holdings disclosure policies and procedures.
- The US Fund's portfolio managers, including summary information about other accounts they manage and their compensation structure.
- Allocation of portfolio transactions among various broker-dealers.
- The US Fund's proxy voting guidelines.
- The ETF share-class, including exchange listing and trading, conversions and exchanges, book entry only system and purchase and redemption of ETF Securities in creation units.

Copies of the documents incorporated in this Prospectus (including US Prospectus and the SAI) may be obtained by contacting Vanguard Client Services on 1300 655 888 or by visiting Vanguard's

website at www.vanguard.com.au. These documents will be available free of charge.

Consequential filings in the US

Certain documents which may be filed or prepared by VGI subsequent to the date of this Prospectus may be incorporated by reference in the US Prospectus. Such documents (if any) cannot (for legal and timing reasons) be taken to be included in this Prospectus under section 712 of the *Corporations Act*. Such documents (if any) may be given to the ASX as announcements by Vanguard and will be made available on Vanguard's website at www.vanguard.com.au.

ASX Confirmations and Waivers

The ASX has granted Vanguard a confirmation under the ASX Market Rules that for the purposes of ASX Market Rule 2.10 (ASX Operating Rule 7100), the Vanguard US Total Market ETF constitutes an 'ETF'.

The ASX has granted Vanguard a waiver from ASX Market Rule 10A.4.1 (ASX Operating Rule Schedule 10A.4.1) such that the investment strategies or policies can be amended without the approval of 75%

of votes cast on a proposed resolution. Any change to the investment strategies or policies of the US Fund will be subject to the requirements as set out in the US Prospectus. In this regard, the board of trustees of the US Fund, which oversees the management of the US Fund, may change investment strategies or policies in the interests of shareholders without a shareholder vote. For this reason, it is unlikely that an Australian investor would be able to influence the outcome of a change in the investment strategies or policies.

ASIC Relief

ASIC has issued an instrument of relief INS 09-00290 dated 16 April 2009, relating to offers for sale of CDIs on the ASX. ASIC has also issued an instrument of relief INS 09-00289 dated 16 April 2009, relating to the ability of Vanguard Investments Australia Ltd to offer CDIs under a Prospectus.

MSCI Disclaimer

The Vanguard US Total market ETF is not sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), any of its affiliates, any of its direct or indirect information providers or any other third party involved in, or related to, compiling, computing or creating any MSCI Index (collectively, the "MSCI Parties"). The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by Vanguard. None of the MSCI parties makes any representation or warranty, express or implied, to the owners of the Vanguard US Total Market ETF or any member of the public regarding the advisability of investing in funds generally or in the Vanguard US Total Market ETF in particular or the ability of any MSCI Index to track corresponding stock market performance. MSCI or its affiliates are the licensors of certain trademarks, service marks and trade names and of the MSCI Indexes which are determined, composed and calculated by MSCI without regard to the Vanguard US Total Market ETF or the issuer or owner of the Vanguard US Total Market ETF. None of the MSCI parties has any obligation to take the needs of the issuers or owners of the Vanguard ETFs into consideration in determining, composing or calculating the MSCI Indexes. None of the MSCI parties is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Vanguard US Total Market ETF to be issued or in the determination or calculation of the equation by which the Vanguard US Total Market ETF is redeemable for cash. None of the MSCI parties has any obligation or liability to the owners of the Vanguard US Total Market ETF in connection with the administration, marketing or offering of the Vanguard US Total Market ETF.

Although MSCI shall obtain information for inclusion in or for use in the calculation of the MSCI Indexes from sources which MSCI considered reliable, none of the MSCI parties warrants or guarantees the originality, accuracy and/or the completeness of any MSCI Index or any data included therein. None of the MSCI parties makes any warranty, express or implied, as to results to be obtained by licensee, licensee's customers or counterparties, issuers of the Vanguard US Total Market ETF, owners of the Vanguard US Total Market ETF, or any other person or entity, from the use of any MSCI Index or any data included therein in connection with the rights licensed hereunder or for any other use. None of the MSCI parties shall have any liability for any errors, omissions or interruptions of or in connection with any MSCI Index or any data included therein. Further, none of the MSCI parties makes any express or implied warranties of any kind, and the MSCI parties hereby expressly disclaim all warranties or merchantability or fitness for a particular purpose, with respect to any MSCI Index and any data included therein. Without limiting any of the foregoing, in no event shall any of the MSCI parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including without limitation lost profits) even if notified of the possibility of such damages.

Glossary

ASX means ASX Ltd

ASIC means the Australian Securities and Investments Commission

Authorised Participant is a participant in the Depository Trust Company that has executed a Participant Agreement with VGI

CDIs means CHESS Depository Interests

CHESS means the Clearing House Electronic Subregister System

CHESS Depository Nominees means CHESS Depository Nominees Pty Limited

Depository Trust Company or DTC means the company that is defined on page 10 of this Prospectus

Eligible Investor means stockbrokers acting as principal, that is persons who have been authorised

as 'trading participants' under the ASX Operating Rules

US Fund means the Vanguard Total Stock Market Index Fund

US Prospectus is the prospectus of the US Fund

US ETF Securities means exchange traded fund shares in the US Fund

Vanguard US Total Market ETF means the Vanguard US Total Market Shares Index ETF offered under this Prospectus

Vanguard means Vanguard Investments Australia Ltd (ABN 72 072 881 086 AFSL 227263 RSEL L0001335)

VGI means The Vanguard Group, Inc.



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