



# Business Contingency Planning and Disaster Recovery at Vanguard

## For clients of Vanguard Brokerage Services® and Ascensus College Savings

The following is a general description of plans in place at Vanguard, Vanguard Brokerage Services (“Vanguard Brokerage”), and Ascensus College Savings to maintain business continuity in the event that operations are disrupted for any reason.

### Contingency planning at Vanguard

Vanguard’s goal is to help its millions of shareholders build and preserve wealth. So it is critical that we plan carefully and methodically to ensure a quick and smooth recovery in the event of a disaster or emergency. From Chief Executive Officer Tim Buckley to each Vanguard associate, Vanguard has a companywide commitment—including the investment of significant resources—to ensure that your assets are safe and that our service to you continues without interruption.

Our approach to contingency planning is simple. We think of our business as a chain in which each link is a component of our operation—people, facilities, business processes, infrastructure, and information. Each link is equally important and must be accounted for and tested as part of an overall business-continuity program.

To accomplish this, we have established a Contingency Council to oversee key initiatives, as well as a special unit, Vanguard’s Business Contingency Services group, dedicated to coordinating the planning, development, testing, and execution of contingency plans.

Vanguard’s business contingency planning provides for the recovery and restoration of all critical operations. Our process consists of three major components: detailed, written business contingency plans; data security and recovery; and business contingency tests.

- **Business contingency plans.** Vanguard designs specific, formal plans to respond to a range of incidents—from worst-case scenarios, such as loss of a data center, buildings, or staff, to occurrences such as power outages or excessive phone volumes. These plans are regularly tested and updated to accommodate changes in contingency requirements.
- **Data security and recovery.** Data security is, of course, a top priority. To mitigate computer virus attacks and other acts of cyberterrorism, we have implemented controls monitored by a dedicated team of information security specialists. We also maintain a network of redundant systems, off-site data storage, and off-site tape vaults to ensure that all source data are recoverable in a disaster.

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Vanguard Brokerage Services is a division of Vanguard Marketing Corporation, member FINRA and SIPC.

- **Business contingency tests.** All contingency plans undergo rigorous testing, ranging from comprehensive evaluations of a variety of emergency scenarios to full-scale drills in which we close a building and conduct business from a remote location. We also periodically conduct mock disaster drills with the cooperation of local, state, and federal authorities. We conduct integrated tests with critical vendors to validate our ability to work together during an emergency. In addition, our Information Technology division frequently performs disaster recovery tests to gauge how quickly we can regain our systems in the event of an emergency.

## Maintaining business as usual

In addition to regular planning and testing, Vanguard uses several routine business strategies to ensure flexibility and resiliency in our operations. To reduce the potential impact of recovery from regional events such as major power outages and winter storms, we maintain geographic diversity by running key business functions from multiple locations. Moreover, resources (such as power) for significant buildings are backed up with redundant and/or emergency power-supply capability.

And, should events warrant, Vanguard's Contingency Council and Public Relations Group are prepared to meet to determine what type of communication is necessary and to create appropriate messages.

## In the event of a business disruption

Should there be a significant business disruption, please visit Vanguard's website at [vanguard.com](http://vanguard.com) for additional information, which will include instructions to ensure prompt access to your funds and securities.

## Ascensus College Savings Notice of Business Continuity Plans

At Ascensus College Savings, we know how much our 529 Plan participants rely on our systems and services. We also recognize that business disruptions of varying scope can and do occur. Ascensus College Savings wants you to know that we have plans in place designed to safeguard your assets and protect vital account information in the event of a business disruption.

Ascensus College Savings and its affiliated companies have developed plans to recover from situations including, but not limited to, facilities failures that may cause business interruption. These plans are designed to account for interruptions of varying length and scope and require that Ascensus College Savings is able to recover mission-critical functions according to their time criticality. In order to maintain secure and effective plans, Ascensus College Savings does not provide the specific details in this notice, but you should be aware that Ascensus College Savings' corporate disaster recovery planning includes the following:

1. Identification of all mission-critical systems and backup facilities and arrangements
2. Setup of alternate communication channels between Ascensus College Savings and its customer and business partners
3. Alternate physical site location and preparedness
4. An ongoing review of financial and operational risks
5. Employee safety strategies and communications

Ascensus College Savings mitigates risks to reduce the potential impact on customer service. In addition to following the guidelines stated above, Ascensus College Savings' recovery plans also include the following:

### **Designated Contingency Sites**

Ascensus College Savings maintains designated contingency sites to provide for the backup and recovery of data, maintenance of mission-critical applications, and business resumption activities for key business personnel and critical business functions.

### **Notification to Clients**

Procedures for notifying 529 Plan Participants have been established for Ascensus College Savings associates to follow in the event of an outage. Notification will include information regarding length of outage, instructions for contacting Ascensus College Savings, and support information (e.g., where to send faxes, and issues pertaining to data transmissions and communications).

### **Access to Your Funds**

A site outage should not impact your ability to access your investments, as Ascensus College Savings' business continuity plans are designed to facilitate sustained service. However, your ability to trade securities may be impacted by market events outside of Ascensus College Savings' control, such as when the markets were closed following the September 11, 2001, tragedy. Our business continuity plans are designed to ensure necessary personnel are available to assist with transactions.

Please note that Ascensus College Savings' business continuity plans are reviewed as necessary, and at least annually, to ensure they account for technology, business, and regulatory changes, operations, structure, or location. The plans are subject to change, and material changes will be reflected in an updated "Notice of Business Continuity Plans" that will be posted on our website, [www.ascensuscollegesavings.com](http://www.ascensuscollegesavings.com). You may obtain a current written copy of this notice by contacting an Ascensus College Savings representative or by visiting our website at [www.ascensuscollegesavings.com](http://www.ascensuscollegesavings.com).

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