

Schwab announces Vanguard Omnibus Changes

Charles Schwab Trust Bank received notice from Charles Schwab & Co., Inc., that it is beginning the process of changing the back office operational model for how we handle Vanguard funds.

What's happening?

Vanguard funds will move from the omnibus environment into a sub-accounting model in tranches, starting with all share classes of certain funds scheduled to move on June 11th, August 6th, and September 30th in 2021*. We will provide more details about the remaining funds once additional tranches have been scheduled.

How does this impact you and your clients?

There is no action needed from you or your clients. The change primarily impacts how Schwab interacts with Vanguard, and there will be minimal changes to how you place trades or otherwise interact with Schwab:

- Dividends for these funds will post to the client's account one day later than they currently do within the omnibus environment.
- Vanguard will now provide trade confirmations to Schwab, which may arrive after the daily batch release, causing an executed trade to appear open until the following morning. We do not expect this to occur often.

If you have questions or need further information, please contact your client service manager or dedicated service team at 877-319-2782.

*Tranche dates are subject to change, and the funds listed below may move between tranches.

Vanguard Funds moving from omnibus to sub-accounting by tranche

Fund Name	Symbol	Fund Name	Symbol
June 11, 2021 Tranche			
Total World Stock Index Admiral	VTWAX	Alternative Strategies Investor	VASFX
Windsor Inv	VWNDX	Instl Trgt Retire 2040 Instl	VIRSX
Short-term Treasury Idx Admiral	VSBSX	Instl Trgt Retire 2030 Instl	VTTWX
Global Wellington Admiral	VGWAX	Instl Trgt Retire Inc Instl	VITRX
Market Neutral Inv	VMNFX	Instl Trgt Retire 2045 Instl	VITLX
Capital Opportunity Inv	VHCOX	Communication Svcs Idx Admiral	VTCAX
Instl Ttl Stk Mkt Idx Instl pls	VITPX	Instl Trgt Retire 2050 Instl	VRTLX
Global Wellesley Income Admiral	VGYAX	Russell 2000 Growth Index I	VRTGX
Windsor Admiral	VWNEK	Instl Trgt Retire 2015 Instl	VITVX
Us Value Inv	VUVLX	Instl Trgt Retire 2020 Instl	VITWX
Capital Opportunity Adm	VHCAX	Instl Trgt Retire 2025 Instl	VRIVX
Utilities Index Adm	VUIAX	Instl Trgt Retire 2055 Instl	VIVLX
Mega Cap Value Index Instl	VMVLX	Instl Trgt Retire 2035 Instl	VITFX
Industrials Index Admiral	VINAX	Global Wellesley Income Inv	VGWIX
Institutional Index I	VINIX	Russell 1000 Index I	VRNIX
Target Retirement 2065 Inv	VLXVX	Total World Stock Index I	VTWIX
Diversified Equity Inv	VDEQX	Short-term Treasury Idx Instl	VSBIK
S&P Small-cap 600 Index I	VSMSX	Managed Allocation Investor	VPGDK
Energy Index Admiral	VENAX	Russell 1000 Growth Index I	VRGWX
Financials Index Admiral	VFAIX	S&P Mid-cap 400 Index I	VSPMK
Explorer Value Inv	VEVFX	Institutional Index Instl Pl	VIIIX
Materials Index Admiral	VMIAX	Instl Trgt Retire 2060 Instl	VILVX
Consumer Discretionary Idx Adm	VCDAX	Russell 1000 Value Index I	VRVIX
Tax-exempt Bond Admiral	VTEAX	Russell 3000 Index I	VRTTX
Global ESG Select Stk Admiral	VESGX	Us Multifactor Admiral	VFMFX
Global ESG Select Stock Fd Inv	VEIGX	Market Neutral I	VMNIX
Instl Ttl Stk Mkt Idx I	VITNX	Russell 2000 Index I	VRTIX
Long-term Corporate Bd Idx Adm	VLTCX	Russell 2000 Value Index Fund Inst	VRTVX
Global Wellington Investor	VGWLX		
August 6, 2021 Tranche			
Long-term Treasury Idx Admiral	VLGSX	Global Capital Cycles Investor	VGPMK
Primecap Core Inv	VPCCX	Primecap Adm	VPMAX
International Explorer Inv	VINEX	Commodity Strategy Admiral	VCMDX
Primecap Inv	VPMCX	Health Care Index Admiral	VHCIX
Interm-term Treasury Adm	VFIUX	Target Retirement 2015 Inv	VTXVX
Emerg Mkts Sel Stk Inv	VMMSX	International Core Stock Inv	VWICX
Target Retirement 2020 Inv	VTWNX	Global Credit Bond Admiral	VGCAK
Lifestrategy Income Inv	VASIX	Global Credit Bond Investor	VGCIK
Strategic Small-cap Equity Inv	VSTCX	International Core Stock Adm	VZICX
Lifestrategy Cnsvr Gr Inv	VSCGX	Instl Trgt Retire 2065 Instl	VSXFX
Interm-term Treasury Inv	VFITX	Long-term Treasury Idx Instl	VLGIX
Mid Cap Growth Inv	VMGRX	S&P Mid-cap 400 Growth Idx I	VMFGX
Target Retirement 2060 Inv	VTTSX	S&P Mid-cap 400 Value Idx I	VMFVX
September 30, 2021 Tranche			
Short-term Treasury Adm	VFIRX	Short-term Treasury Inv	VFISX

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