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August 7, 2018

Brent J. Fields
Office of the Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Regulation Best Interest (83 FR 21574, SEC Rel. No. 34-83062, File No. S7-07-18) (“Regulation Best Interest”); Proposed Commission Interpretation Regarding Standard of Conduct for Investment Advisers; Request for Comment on Enhancing Investment Adviser Regulations (83 FR 21203, SEC Rel. No. IA-4889, File No. S7-09-18) (“Investment Advisory Proposal”), and Form CRS Relationship Summary; Amendments to Form ADV; required Disclosures in Retail Communications and Restrictions on the use of Certain Names or Titles (83 FR 21416, SEC Rel. No. 34-83063, File No. S7-08-18) (“Form CRS”) (collectively referred to as the “Proposals”)

Dear Mr. Fields:

Vanguard¹ appreciates the opportunity to provide comments on the combined set of Proposals noted above. The securities markets give people the chance to save for life’s important events. Rather than handling their own investments, individuals often rely on investment professionals and firms to guide them towards their financial goals. While broker-dealers and investment advisers perform valuable services for individual investors, their business models, associated conflicts and methods of compensation vary significantly. As discussed in more detail below, we support the Securities and Exchange Commission’s (“Commission”) effort to enhance the standards protecting individual investors. Individual investors will benefit from the principles set forth in the harmonized Regulation Best Interest rule and the Investment Advisory Proposal if a best interest standard applies to all investment recommendations. And, the concept of layered disclosure incorporated into Regulation Best Interest has the potential to meaningfully advance investor comprehension of the conflicts impacting their investing relationships. We urge the Commission, as it considers final rulemaking of the Proposals, to continue to pursue principles-based standards that are capable of flexing to accommodate industry advancements.

¹ Vanguard is one of the world’s leading asset managers, managing over \$5 trillion for institutional and retail investors worldwide. Vanguard manages over \$1 trillion in defined contribution and defined benefit plan assets and provides recordkeeping and administrative services for over 5 million participants in over 8,000 defined contribution plans. We also record keep over \$600 billion for over 6 million individual retirement account (“IRA”) investors. We provide fiduciary investment advice to IRAs and other clients through Vanguard Personal Advisor Services, which currently has approximately \$112 billion in assets under advisement across all client types. We also provide fiduciary investment management to retirement plan participants through the Vanguard Managed Account Program, an investment management service based on systems and methodology developed and maintained by Financial Engines Advisors, LLC. Vanguard Managed Account Program manages over \$30 billion on a discretionary basis.

I. EXECUTIVE SUMMARY

Vanguard's mission is to take a stand for all investors, to treat them fairly, and to give them the best chance for investment success. Since our inception, our unique client-owned corporate structure has ensured that we are aligned with the interests of our fund shareholders. We offer products and services that mitigate many of the traditional conflicts of interest existing in the complex financial services industry – we do not pay our external partners any sales-based compensation or revenue sharing for distributing our products – and we have always provided plain, simple and transparent disclosures to our investors. Vanguard believes individual investors deserve investment recommendations that are in their best interest, and that is why we have offered our clients fiduciary investment advice using low-cost, high quality investment products for decades. We support the SEC's Proposals, as we describe in more detail in this letter, because their combined impact will ensure that all individuals – whether they are investing for retirement, college or a rainy day – receive investment recommendations that are in their best interest.

Individual investors deserve investment recommendations held to a harmonized standard of care, regardless of the type of account they hold or institution they choose for advice. A regulatory regime grounded in fiduciary principles should require all types of investment professionals and firms to:

- Provide recommendations in their clients' best interest, without placing the interests of the professional or firm ahead of the interests of the individual investor;
- Provide recommendations to individual investors with care, skill and prudence;
- Provide clear and complete disclosure of the nature of the relationship and services, all direct and indirect compensation and remuneration they receive, and any material conflicts of interest; and
- Have policies and procedures to eliminate, mitigate and/or disclose any material conflicts of interest they might face.

The Proposals meaningfully advance the protections afforded to individual investors by meeting these standards, and represent a significant advancement in the regulatory environment governing investment recommendations in the securities industry. While Regulation Best Interest is a standard that is separate from the Investment Advisers Act of 1940, we commend the Commission for offering a set of Proposals that appropriately harmonize the protections governing recommendations to individual investors. The best interest standard for broker-dealers and fiduciary duty of investment advisers should be principles based. We therefore support the Commission's decision to not proscriptively define the terms "best interest" under Regulation Best Interest in the text of the draft rule. We also would urge the Commission to not codify any of its interpretations contained in the Investment Advisory Proposal.² Keeping both standards principles-based ensures regulatory flexibility that will permit the standards to grow alongside product and service developments in both regulated businesses.

While the text of the Regulation Best Interest rule is appropriately principles-based, there are instances when the discussion in that proposal becomes very specific regarding how the draft rule would apply in particular circumstances. We've highlighted some, but not all, of those instances in our comment letter.

² See Investment Advisory Proposal, 83 FR at 21209.

Similarly, many of the proposed disclosure requirements in Form CRS may be construed as proscriptive if firms are not permitted the ability to tailor all disclosures to fit their business model. Principles-based regulation is created from broadly written standards that should only be purposefully developed through interpretive analysis based on real-life factual scenarios. We think that it is critical for the Commission to maintain a principles-based approach in the rule-making process and avoid attempting to proscriptively describe the application of the standards in the discussion sections of rule proposals. Finally, we would not support the introduction of a proposed federal advisory licensing standard or financial responsibility requirements, as neither proposal is geared toward addressing actual gaps in the advisory regulatory environment.

In order to maximize the effectiveness of these important developments in investor protection, we urge the Commission and the Department of Labor (the “Department”) to coordinate closely on any final Commission rulemaking or additional rulemaking by the Department. Each agency should strive to develop standards for individual investment advice that are based upon the same core principles across regulatory regimes in the brokerage, investment advisory and retirement marketplaces. Further, the Commission and the Department should work closely with state regulators through the North American Securities Administrators Association (“NASAA”) to ensure that states and municipalities do not develop state-level fiduciary standards in conflict with federal principles.

II. A BEST INTEREST STANDARD UNDER REGULATION BEST INTEREST AND THE DUTY OF CARE UNDER THE INVESTMENT ADVISORY PROPOSAL TOGETHER ENHANCE INDIVIDUAL INVESTOR PROTECTION

Under Regulation Best Interest, a broker or associated person is required to act in the best interest of an individual investor at the time a recommendation is made without placing the financial or other interests of the firm or its associated person making the recommendation ahead of the interests of the individual.³ Similarly, the Investment Advisory Proposal states that recommendations must be suitable *and* in a client’s best interest.⁴ Individual investors deserve recommendations that are more than merely “suitable” (or “not unreasonable”), and Vanguard supports the best interest principles in both Regulation Best Interest’s Care Obligation and the Duty of Care interpretation set forth in the Investment Advisory Proposal. Since an individual investor’s financial wellness hinges on the quality of the investment recommendations received, we believe that the Proposals advance the cause of investor protection by imposing a best interest standard governing investment recommendations across all account types.

Importantly, under a best interest standard mere disclosure of material conflicts alone will not always be sufficient, particularly with respect to financial incentives that create material conflicts of interest for investment professionals and their employers. For example, firms and investment professionals should not be able to disclose away a financial incentive that creates a significant conflict and still satisfy the “best interest” obligation. Instead, we believe that firms and investment professionals should have to justify their recommendation with a concrete rationale demonstrating that the recommendation does not place the financial or other interests of the firm or investment professional ahead of the interests of an individual investor. In other words, the financial professional must have a rationale to demonstrate that their recommendations are in the best interest of the individual investor. Accordingly, we agree that firms and investment professionals should be required to establish, maintain and enforce “written policies and procedures reasonably designed to identify and disclose and mitigate, or eliminate, material conflicts of

³ See Regulation Best Interest, 83 FR at 21585.

⁴ See Investment Advisory Proposal, 83 FR at 21206.

interest arising from financial incentives associated with such recommendations” under Regulation Best Interest.⁵ We also agree with the Commission’s observation in the Investment Advisory Proposal that “[d]isclosure of a conflict alone is not always sufficient to satisfy the adviser’s duty of loyalty and section 206 of the Advisers Act.”⁶

However, one related area that should be clarified in any adopting release is the notion of informed consent. There are sections in the Investment Advisory Proposal that appear to indicate that advisers are required to obtain actual consent from their clients.⁷ Vanguard believes that under both standards, firms and investment professionals should not be required to obtain express consent to a conflict. As long as investment professionals have a clear obligation to disclose material conflicts and justify recommendations that may raise particularly acute conflicts, the Commission should not impose such a significant hurdle upon individual investors to provide positive consent that could impede the efficient delivery of investment recommendations. Instead, the Commission should clarify that an adviser is required, after attempting to avoid, eliminate, or mitigate its conflicts, to provide full and fair disclosure of material conflicts to enable clients to consent to or reject the disclosed issue, and that consent may be inferred from the fact that a client enters into or continues a relationship with an adviser. Statements in the Proposals to the contrary should be clarified by the Commission in any adopting release.⁸

The enhanced broker-dealer and investment adviser standards require careful consideration of the costs of a product to an individual investor and the potential remuneration to be received by the investment professional or the firm.⁹ We agree that costs and remuneration should play a central role in meeting the revised best interest standards. Cost is a critical factor because of its compounding effect upon performance.¹⁰ We’ve consistently urged our shareholders to consider cost because of its direct impact upon their investing success, and because it is one of the only factors completely within an investor’s control.¹¹ Vanguard’s ownership structure – whereby our shareholders own our funds and our funds own Vanguard – aligns our interests with those of our investors.¹² Rather than only lowering expense ratios or rebating fees in connection with particular investments, our structure has permitted Vanguard to continually lower the costs of our U.S. funds from a complex average expense ratio of .68% in 1975 down to .11% in 2017.¹³ Our relentless focus on lowering the cost of investing has reduced the expense ratios of our funds *and* driven down costs across the industry – known as the “Vanguard Effect” in securities markets across the globe.¹⁴

Despite our demonstrated focus on reducing cost across our products and services, we recognize that it is not the only factor to consider. Importantly, the Proposals also recognize that investment professionals should weigh a variety of other product attributes beyond cost and remuneration – including the product’s investment objectives, characteristics, liquidity, risks and potential benefits, volatility, and likely performance – when assessing whether a recommendation is in the best interest of an individual

⁵ See Regulation Best Interest, 83 FR at 21682.

⁶ See Investment Advisory Proposal, 83 FR at 21208-09.

⁷ See, e.g., *Id.* at 21207.

⁸ See, e.g., *Id.* at 21207.

⁹ See Regulation Best Interest, 83 FR at 21588, and Investment Advisory Proposal, 83 FR at 21207.

¹⁰ See *Don’t let high costs eat away your returns*, available at <https://investor.vanguard.com/investing/how-to-invest/impact-of-costs>.

¹¹ See *id.*

¹² See *Why we’re different*, available at <https://investor.vanguard.com/what-we-offer/why-vanguard>.

¹³ See *The Vanguard Effect*, available at <https://investor.vanguard.com/expense-ratio/vanguard-effect>.

¹⁴ See *id.*

investor.¹⁵ With respect to cost, the Proposals explain that an investment professional would fail to meet the applicable standard of care by choosing to recommend a higher cost security over an “otherwise identical” security based upon a consideration of these factors.¹⁶ While consideration of product attributes, and cost in particular, is certainly critical to meeting the proposed standards, Vanguard urges the Commission to maintain a principles-based approach in any final rulemaking. Any adopting release setting forth enhanced standards should state that the product attributes suggested in the Proposals are not exhaustive of the factors that an investment professional or firm may consider when assessing the rationale for a recommendation or whether two securities are “otherwise identical.”

While two mutual funds offered by competing fund families may have similar or seemingly identical product attributes (*e.g.*, both funds may track the same index), investors, investment professionals and firms should and often do consider a variety of additional factors beyond product attributes when assessing investments. These considerations include important factors such as product structure, investment features, liquidity, volatility, issuer reputation, brand and business practices (securities lending activities, portfolio tracking error, or usage of derivatives in a portfolio). Vanguard’s ownership structure serves as a differentiator from a host of competitor products because of its demonstrated ability over time to continually lower the expense ratios of our U.S. fund range.¹⁷ We believe that individual investors deserve holistic advice that necessarily contemplates factors beyond cost. The Commission should remain focused on principles-based standards that can be applied over time and avoid making statements or conclusions in the rulemaking process that purport to apply the standards to hypothetical scenarios, which necessarily can never include all of the relevant facts and circumstances. Doing so can have the unintended consequence of limiting investor choice and marketplace developments over time.

The Proposals in their entirety are a major step forward in improving the quality and clarity of choices available to individual investors. The Commission appropriately targeted its efforts toward individual investors, reflecting the relative knowledge gap between individuals and the firms and professionals that serve them. In our view, this focus could be sharpened by refining the definition of “retail customer”¹⁸ in Regulation Best Interest to remove professional advisers such as any professional fiduciaries, investment advisers, broker-dealers, or banks and their employees who may be serving as the representative of a retail customer, or a retail customer’s “legal representative,” from the scope of the definition to avoid unnecessary confusion. In practice, product issuers often provide information to professional advisers about their products and services. While information imparted by an issuer may be used by a professional adviser in making recommendations to individual investors, it is the obligation of the professional adviser alone to formulate and deliver an actual recommendation to an individual investor. Conversations between product issuers and professional advisers, then, do not raise the types of concerns intending to be addressed by Regulation Best Interest, and the enhanced standards should not be required in that context. Similarly, while the context of the Investment Advisory Proposal makes clear that the application of the standards detailed in that release are intended for an individual investor audience, the proposal never explicitly states that fact. The Commission risks causing unnecessary confusion if the scope of the Investment Advisory Proposal is not confined to individual investors. As an example, there is no justification for requiring an investment adviser to a registered investment company (“RIC”) to determine the “level of financial sophistication” of the RIC.¹⁹ Again, the Commission should state within any

¹⁵ See Regulation Best Interest, 83 FR at 21588 and Investment Advisory Proposal, 83 FR at 21207.

¹⁶ See *id.*

¹⁷ See *Why we’re different*, available at <https://investor.vanguard.com/what-we-offer/why-vanguard>, and *The Vanguard Effect*, available at <https://investor.vanguard.com/expense-ratio/vanguard-effect>.

¹⁸ Regulation Best Interest, 83 FR at 21682.

¹⁹ See *Id.* at 21206.

adopting release that the revised Investment Advisory standards are intended to govern dealings with individual investors, and should not be construed as applying to advisory services provided to other client types such as registered investment companies or institutional investors.

III. ENHANCED DISCLOSURE OF MATERIAL CONFLICTS REQUIRED UNDER REGULATION BEST INTEREST WILL PROVIDE GREATER CLARITY TO INDIVIDUAL INVESTORS AND ENSURE THAT THEIR INTERESTS ARE GIVEN PRIMACY

The comprehensive and timely disclosure of material conflicts required under Regulation Best Interest will meaningfully advance investor protection. Under Regulation Best Interest, investment professionals are required to reasonably disclose in writing all material conflicts of interest associated with a recommendation.²⁰ Today there is no regulatory requirement that a single document or disclosure must provide an individual investor a comprehensive overview of all of the types and ranges of costs, commissions, fees, expenses, trails, loads, revenue sharing and other forms of costs the client may bear or that a firm or investment professional may receive in connection with an investment recommendation. While the proposed Form CRS provides a high-level overview of a firm's costs and sources of remuneration, the summary nature of the form may not be an effective explanation within the context of an individual investment recommendation. Without a comprehensive disclosure setting forth all material conflicts associated with an investment recommendation, individual investors must review multiple sources of information, such as a product's offering materials, the commission and charges schedule of their investment firm, and the investment firm's website to discover all possible sources of fees, costs and remuneration that will be paid to the investment professional or firm if the individual acts on a recommendation. Even if an individual investor were inclined to perform this extreme level of due diligence, many lack the capacity to understand the complexities of these disclosures outside the context of an investment discussion and the effects that these fees and costs will have on their investment performance.

We believe it will be incredibly empowering for individual investors if the revised standards require a consolidated written disclosure of all material conflicts, including, but not limited to, all forms and ranges of direct and indirect fees, costs, compensation and remuneration to be incurred or received in connection with an investment at, or before, the time a recommendation is made. Indeed, the Commission recognizes that "[t]o promote broker-dealer recommendations that are in the best interest of retail customers ... it is necessary to impose a more explicit disclosure obligation on broker-dealers than what currently exists under the federal securities laws and SRO rules."²¹ While we agree with the Commission's overarching principles-based approach of not dictating the form, specific timing, or method for delivering these enhanced disclosures, we think that the Commission should state that reliance upon existing disclosure requirements will not satisfy the enhanced disclosure obligations under Regulation Best Interest. If an investment professional or firm discloses this information at, or before, the time of the recommendation in a consolidated format, an individual investor will have an opportunity to discuss these conflicts and costs and comprehend their potential impact upon the investment recommendation. Vanguard believes that such disclosure will spur frank discussions as to why a recommendation meets the investor's best interest, and may provide the best means of mitigating material conflicts.

²⁰ *Id.* at 21681.

²¹ *Id.* at 21599-600.

We are cognizant of the costs that would be associated with tailored point-of-sale disclosure of such costs. For this reason, we think that the Disclosure Obligation could be satisfied by relaying the types and ranges of costs associated with a recommendation, or by using standardized and hypothetical investment amounts, rather than requiring computation of actual dollar amounts based upon the proposed amount to be invested by an individual investor in the recommended product.²² Additionally, firms and investment professionals should be required to disclose the location of other sources of information from which individual investors may retrieve exact amounts of such costs (e.g., a mutual fund prospectus located on a firm's website, commission schedule, etc.). If implemented in this manner, the Disclosure Obligation has tremendous potential to effect real change in the securities industry and ensure that individual investors receive investment recommendation that are in their best interest.

IV. THE COMMISSION SHOULD NOT PURSUE RULEMAKING DESIGNED TO IMPOSE A FEDERAL ADVISORY LICENSING STANDARD OR TO APPLY FINANCIAL RESPONSIBILITY REQUIREMENTS ILL-SUITED TO THE ADVISORY BUSINESS

While we support the significant regulatory changes in Regulation Best Interest and the Investment Advisory Proposal, we do not believe that individual investor interests would be promoted if the Commission seeks to impose a federal licensing standard. Investment adviser representatives are required by state law to register within those states where they maintain a place of business. State law further grants the authority to impose standards of qualification with respect to training, experience and knowledge of the securities business upon investment adviser representatives. Since the states already administer a comprehensive licensing and registration system for investment adviser representatives, there is no gap that a federal standard needs to address. Before considering a proposal pertaining to continuing education requirements, the Commission should liaise with state securities regulators through NASAA, which is already actively considering a model state requirement for continuing education. The Commission can more effectively promote investor interests by coordinating its efforts with state regulators through NASAA to determine whether state or federal requirements should govern this issue and ensure that any new state or federal requirements are appropriately harmonized.

Similarly, we do not believe it is necessary or in the interest of investors for the Commission to pursue any rulemaking seeking to impose broker-dealer like financial responsibility requirements upon investment advisers. Such rulemaking would not fit the business model of investment advisers. Federal investment advisers are already required under the custody rule²³ to maintain client funds and securities with qualified custodians. Qualified custodians, which include banks and broker-dealers, are already subject to comprehensive net capital and client asset safekeeping rules. The investor protection interests that would underlie proposed investment advisory financial responsibility requirements, then, are satisfied by existing standards governing the custodians. Since investment advisers are not permitted to carry client accounts or maintain control over client funds and securities, it would not appropriately fit the advisory business model to require rules such as the net capital and customer protection requirements applicable to broker-dealers. We believe that the attendant costs of such initiatives (which will likely be passed on to clients by firms) could far outweigh any benefit to be derived by individual investors.

²² The Securities Industry Association (predecessor to SIFMA) proposed similar disclosure requirements as an alternative to the Commission's 2004 proposal for point-of-sale disclosure requirements for transactions in certain mutual funds and other securities. See *Point of Sale Disclosure Requirements* (Apr. 12, 2004), available at <https://www.sifma.org/resources/submissions/sia-submits-comments-to-the-sec-on-point-of-sale-disclosure-requirements/>.

²³ 17 C.F.R. §275.206(4)-2 (2010).

V. THE FORM CRS DISCLOSURE REGIME SHOULD BE PRINCIPLES-BASED IN ORDER TO SERVE AS A USEFUL SOURCE OF INFORMATION FOR INDIVIDUAL INVESTORS

We commend the Commission's attempt through Form CRS to provide clarity to individual investors about the scope of their relationships with financial services firms. However, Vanguard has concerns that the proposal strays from principles-based regulation. In order to maximize the effectiveness of Form CRS, we suggest that firms be permitted to create forms that are tailored to particular lines of business, as consolidated forms written at the entity-level will likely lead to significant investor confusion. Additionally, the Commission should stress that firms have the ability to tailor the prescribed language of Form CRS to make disclosures accurate in light of a firm's business model. Instituting a principles-based disclosure regime will ensure regulatory flexibility that provides useful information to individual investors.

In the Form CRS Proposing Release, the Commission sought comments on whether firms should prepare relationship summaries for different business lines, programs or types of accounts.²⁴ We believe it would benefit individual investors to permit firms to create forms tailored to different lines of business. To highlight the challenge of consolidated disclosure, consider the multiple business lines offered through Vanguard Advisers, Inc. ("VAI"). VAI is a federally registered investment adviser offering:

- One-time and ongoing advice to individual investors through a service called Personal Advisor Services
- Model portfolios made available to third party intermediaries that serve as investment strategies for managing underlying clients' accounts
- Ongoing advice and administrative services to institutional clients in the endowment, foundation and defined benefit markets
- Interactive advice tools
- One-time and ongoing advice to participants of eligible employer-sponsored retirement plans (both directly and through an independent subadviser)
- Ongoing advice to separate accounts that are offered as investment options in state-sponsored college savings plans.

If VAI were required to produce a single Form CRS detailing these divergent service offerings, the relationship summary would dramatically exceed the page limit set by the Commission in the Form CRS proposal and confuse individual investors who may only ever use one VAI service offering. It would also present individual investors with information that may never be useful or pertinent to their advisory relationship with VAI. Unnecessary disclosure would confuse, rather than illuminate, the nature of services VAI is providing to that investor and any relevant conflicts they should consider. In order to provide meaningful disclosure in Form CRS, firms should be permitted to tailor them to individual lines of business.

The Commission acknowledged in the Form CRS proposing release that dictating prescribed language may cause issues with the accuracy of the relationship summaries of individual firms: "If a statement is inapplicable to a firm's business or would be misleading to a reasonable retail investor, the firm may omit or modify that statement."²⁵ Notwithstanding the foregoing, the Form CRS proposal is replete with

²⁴ *Id.* at 21423.

²⁵ *Id.* at 21422.

prescribed language which could cause firms to provide individual investors with inaccurate information. And it is unclear if the requirement to utilize standardized language trumps firms ability to “omit or modify statements.” For example, advisers are required to state that “[t]he more assets you have in the advisory account, *including cash*, the more you will pay us.”²⁶ For VAI’s Personal Advisor Services (“PAS”), that statement is simply not true because PAS does not charge advisory fees on money market fund positions. Other examples are more nuanced, but nevertheless highlight the complications caused by mandating prescribed language. For example, brokers are required to state that “[t]he more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.”²⁷ We offer execution-only retail brokerage to our individual Vanguard Fund shareholders, primarily as an accommodation to their investing needs. While we derive revenue from that offering, its primary purpose is to meet the investing needs of our shareholders. The fact that we will begin offering commission-free trades on all ETF transactions²⁸ – on both proprietary and third party funds – demonstrates that the service is intended as an accommodation to our clients, and it would be potentially misleading to say that our revenue is driven by transaction volume. Any adopting release should make clear that *all* of the prescribed disclosures may be modified by firms to accurately describe the nature of their services and conflicts of interest that may underlie their business models.

We agree with the Commission’s goal of using Form CRS to educate individual investors about the primary differences in business model between broker-dealers and investment advisers. We advocate, however, that any final proposal should permit firms the flexibility to tailor their disclosures. Individual investors will benefit from the institution of a principles-based disclosure regime.

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Vanguard appreciates the opportunity to submit these comments and would welcome further discussion with the Commission. If you have any questions or wish to discuss in greater detail, please do not hesitate to contact James Creel, Senior Counsel, at [REDACTED] or Jerry Golden, Principal, Government Relations, at [REDACTED].

Sincerely,



Mortimer J. Buckley
President and Chief Executive Officer

The Vanguard Group, Inc.

cc. The Honorable Jay Clayton, Chairman
The Honorable Kara M. Stein
The Honorable Robert J. Jackson, Jr.
The Honorable Hester M. Peirce
Dalia Blass, Director, Division of Investment Management
Brett Redfearn, Director, Division of Trading and Markets

²⁶ *Id.* at 21435 (emphasis added).

²⁷ *Id.* at 21433-34.

²⁸ See *Coming in August: The largest commission-free ETF lineup offered to investors* (July 2, 2018), available at <https://investornews.vanguard/coming-in-august-the-largest-commission-free-etf-lineup-offered-to-investors/>.