

SECURITIES AND EXCHANGE COMMISSION

FORM 485BPOS

Post-effective amendments [Rule 485(b)]

Filing Date: 2013-01-10  
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FILER

**VANGUARD CMT FUNDS**

CIK: [1273878](#) | IRS No.: [200961006](#)  
Type: **485BPOS** | Act: **33** | File No.: [333-111362](#) | Film No.: **13522020**

Mailing Address  
*PO BOX 2600  
V26  
MALVERN PA 19355*

Business Address  
*PO BOX 2600  
V26  
MALVERN PA 19355  
610-669-1000*

**VANGUARD CMT FUNDS**

CIK: [1273878](#) | IRS No.: [200961006](#)  
Type: **485BPOS** | Act: **40** | File No.: [811-21478](#) | Film No.: **13522021**

Mailing Address  
*PO BOX 2600  
V26  
MALVERN PA 19355*

Business Address  
*PO BOX 2600  
V26  
MALVERN PA 19355  
610-669-1000*

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## Form N-1A

REGISTRATION STATEMENT (NO. 333-111362) UNDER  
THE SECURITIES ACT OF 1933  
Post-Effective Amendment No. 13

and

REGISTRATION STATEMENT (NO. 811-21478) UNDER THE INVESTMENT COMPANY ACT  
OF 1940  
Amendment No. 14

## VANGUARD CMT FUNDS

(Exact Name of Registrant as Specified in Declaration of Trust)

P.O. Box 2600, Valley Forge, PA 19482  
(Address of Principal Executive Office)

Registrant's Telephone Number (610) 669-1000

Heidi Stam, Esquire  
P.O. Box 876  
Valley Forge, PA 19482

### Approximate Date of Proposed Public Offering:

It is proposed that this filing will become effective (check appropriate box)

- immediately upon filing pursuant to paragraph (b)
- on January 10, 2013, pursuant to paragraph (b)
- 60 days after filing pursuant to paragraph (a)(1)
- on (date) pursuant to paragraph (a)(1)
- 75 days after filing pursuant to paragraph (a)(2)
- on (date) pursuant to paragraph (a)(2) of rule 485

If appropriate, check the following box:

- This post-effective amendment designates a new effective date for a previously filed post-effective amendment.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant hereby certifies that it meets all requirements for effectiveness of this Registration Statement pursuant to Rule 485(b) under the Securities Act of 1933 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Valley Forge and the Commonwealth of Pennsylvania, on the 10th day of January 2012.

VANGUARD CMT FUNDS

BY:                     /s/ F. William McNabb III\*

**F. William McNabb III**

**Chief Executive Officer and President**

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the date indicated:

Signature	Title	Date
<u>/s/ F. WILLIAM McNABB III*</u> F. William McNabb III	Chairman and Chief Executive Officer	January 10, 2013
<u>/s/ EMERSON U. FULLWOOD*</u> Emerson U. Fullwood	Trustee	January 10, 2013
<u>/s/ RAJIV L. GUPTA*</u> RAJIV L. GUPTA	Trustee	January 10, 2013
<u>/s/ AMY GUTMANN*</u> Amy Gutmann	Trustee	January 10, 2013
<u>/s/ JOANN HEFFERNAN HEISEN*</u> JoAnn Heffernan Heisen	Trustee	January 10, 2013
<u>/s/MARK LOUGHRIDGE*</u> Mark Loughridge	Trustee	December 27 2012
<u>/s/ F. JOSEPH LOUGHREY*</u> F. Joseph Loughrey	Trustee	January 10, 2013
<u>/s/ SCOTT C. MALPASS*</u> Scott C. Malpass	Trustee	January 10, 2013
<u>/s/ ANDRÉ F. PEROLD*</u> André F. Perold	Trustee	January 10, 2013
<u>/s/ ALFRED M. RANKIN, JR.*</u> Alfred M. Rankin, Jr.	Trustee	January 10, 2013
<u>/s/ PETER F. VOLANAKIS*</u> Peter F. Volanakis	Trustee	January 10, 2013
<u>/s/ THOMAS J. HIGGINS*</u> Thomas J. Higgins	Chief Financial Officer	January 10, 2013

\*By: /s/ Heidi Stam

Heidi Stam, pursuant to a Power of Attorney filed on March 27, 2012, see File Number 2-11444, Incorporated by Reference.

**C-1**

## INDEX TO EXHIBITS

XBRL Instance Document	Ex-101.INS
XBRL Taxonomy Extension Schema Document	Ex-101.SCH
XBRL Taxonomy Extension Calculation Linkbase Document	Ex-101.CAL
XBRL Taxonomy Extension Definition Linkbase Document.	Ex-101.DEF
XBRL Taxonomy Extension Labels Linkbase Documen	Ex-101.LAB
XBRL Taxonomy Extension Presentation Linkbase Document	Ex-101.PRE

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## Shareholder Fees (USD \$)

12 Months  
Ended  
Aug. 31, 2012

Vanguard Market Liquidity Fund | Vanguard Market Liquidity Fund - Investor Shares

### Shareholder Fees (fees paid directly from your investment)

Sales charge (load) imposed on purchases none

Purchase Fee none

Sales charge (load) imposed on reinvested dividends none

Redemption Fee none

Account Service Fee (for fund account balances below \$10,000) none

Vanguard Municipal Cash Management Fund | Vanguard Municipal Cash Management Fund - Investor Shares

### Shareholder Fees (fees paid directly from your investment)

Sales charge (load) imposed on purchases none

Purchase Fee none

Sales charge (load) imposed on reinvested dividends none

Redemption Fee none

Account Service Fee (for fund account balances below \$10,000) none

**Average Annual Total  
Returns**

**12 Months  
Ended  
Aug. 31,  
2012**

Vanguard Market Liquidity Fund | Vanguard Market Liquidity Fund - Investor Shares

**Average Annual Returns for Periods Ended December 31, 2011**

<a href="#">One Year</a>	0.16%
<a href="#">Five Years</a>	1.75%
<a href="#">Since Inception</a>	2.42%
<a href="#">Inception Date</a>	Jul. 19, 2004

Vanguard Municipal Cash Management Fund | Vanguard Municipal Cash Management Fund - Investor Shares

**Average Annual Returns for Periods Ended December 31, 2011**

<a href="#">One Year</a>	0.15%
<a href="#">Five Years</a>	1.29%
<a href="#">Since Inception</a>	1.75%
<a href="#">Inception Date</a>	Jul. 19, 2004

Institutional Money Market Funds Average | Vanguard Market Liquidity Fund | Vanguard Market Liquidity Fund - Investor Shares

**Average Annual Returns for Periods Ended December 31, 2011**

<a href="#">One Year</a>	0.02%
<a href="#">Five Years</a>	1.57%
<a href="#">Since Inception</a>	2.14%

Tax-Exempt Money Market Funds Average | Vanguard Municipal Cash Management Fund | Vanguard Municipal Cash Management Fund - Investor Shares

**Average Annual Returns for Periods Ended December 31, 2011**

<a href="#">One Year</a>	none
<a href="#">Five Years</a>	0.95%
<a href="#">Since Inception</a>	1.28%

Label	Element	Value
<a href="#">Risk/Return:</a>	rr_RiskReturnAbstract	
<a href="#">Document Type</a>	dei_DocumentType	485BPOS
<a href="#">Document Period End Date</a>	dei_DocumentPeriodEndDate	Aug. 31, 2012
<a href="#">Registrant Name</a>	dei_EntityRegistrantName	Vanguard CMT Funds
<a href="#">Central Index Key</a>	dei_EntityCentralIndexKey	0001273878
<a href="#">Amendment Flag</a>	dei_AmendmentFlag	false
<a href="#">Document Creation Date</a>	dei_DocumentCreationDate	Dec. 28, 2012
<a href="#">Document Effective Date</a>	dei_DocumentEffectiveDate	Dec. 28, 2012
Vanguard Market Liquidity Fund   Retail		
<a href="#">Risk/Return:</a>	rr_RiskReturnAbstract	
<a href="#">Prospectus Date</a>	rr_ProspectusDate	Dec. 28, 2012
<a href="#">Risk/Return</a>	rr_RiskReturnHeading	Risk/Return
<a href="#">Investment objective:</a>	rr_ObjectiveHeading	Investment Objective
<a href="#">Investment objective</a>		The Fund seeks to provide current income while maintaining liquidity and a stable share price of \$1.
	rr_ObjectivePrimaryTextBlock	Fees and Expenses
<a href="#">Expenses Heading</a>	rr_ExpenseHeading	The following table describes the fees and expenses you may pay if you buy and hold shares of the Fund.
<a href="#">Fees and Expenses of the Fund</a>		
	rr_ExpenseNarrativeTextBlock	
<a href="#">Shareholder Fees Caption</a>	rr_ShareholderFeesCaption	Shareholder Fees (Fees paid directly from your investment)



Operating Expenses Caption

rr\_OperatingExpensesCaption

EXAMPLE Expense Example, Narrative [Text Block]

rr\_ExpenseExampleHeading

rr\_ExpenseExampleNarrativeTextBlock

Annual Fund Operating Expenses (Expenses that you pay each year as a percentage of the value of your investment) Example The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that total annual fund operating expenses remain as stated in the preceding table. The results apply whether or not you redeem your

Strategy:

rr\_StrategyHeading

StrategyNarrative

rr\_StrategyNarrativeTextBlock

investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

Primary Investment Policies

The Fund invests in high-quality, short-term money market instruments, including certificates of deposit, banker's acceptances, commercial paper, Eurodollar and Yankee obligations, and other money market securities. To be considered high quality, a security generally must be rated in one of the two highest credit-quality categories for short-term securities by at least two nationally recognized rating services

(or by one, if only one rating service has rated the security). If unrated, the security must be determined by Vanguard to be of quality equivalent to securities in the two highest credit-quality categories. The Fund invests more than 25% of its assets in securities issued by companies in the financial services industry. The Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less.

Primary Risks  
The Fund is designed for investors with a low tolerance for risk; however, the Fund is subject to the following risks, which could affect the Fund's performance:

Risk:  
Risk Narrative

rr\_RiskHeading

rr\_RiskNarrativeTextBlock

Income risk, which is the chance that the Fund's income will decline because of falling interest rates. Because the Fund's income is based on short-term interest rates- which can fluctuate significantly over short periods-income risk is expected to be high.

Manager risk, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective.

Credit risk, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that

security to decline. Credit risk should be very low for the Fund because it invests primarily in securities that are considered to be of high quality. Industry concentration risk, which is the chance that there will be overall problems affecting a particular industry. Because the Fund invests more than 25% of its assets in securities issued by companies in the financial services industry, the Fund's performance depends to a greater extent on the overall condition of that industry. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other

[Money Market  
Fund](#)

rr\_RiskMoneyMarketFund

[Not Insured  
Depository  
Institution](#)

rr\_RiskNotInsuredDepositoryInstitution

government agency. Although the Fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the Fund.

The Fund is designed for investors with a low tolerance for risk; however, the Fund is subject to the following risks, which could affect the Fund's performance:

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although the Fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the Fund.

[Bar Chart and Performance Table](#)

rr\_BarChartAndPerformanceTableHeading

Annual Total Returns

[Performance Information Illustrates Variability of Returns](#)

rr\_PerformanceInformationIllustratesVariabilityOfReturns

The following bar chart and table are intended to help you understand the risks of investing in the Fund.

[Performance Availability Phone](#)

rr\_PerformanceAvailabilityPhone

800-662-7447

[Performance Availability Website Address](#)

rr\_PerformanceAvailabilityWebSiteAddress

vanguard.com/performance

[Past Performance Does Not Indicate Future Returns](#)

rr\_PerformancePastDoesNotIndicateFuture

Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future.

[Bar Chart](#)

rr\_BarChartHeading

Annual Total Returns - Vanguard Market Liquidity Fund Investor Shares

[Bar Chart Narrative](#)

rr\_BarChartNarrativeTextBlock

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to

another over the periods shown. The table shows how the average annual total returns compare with those of a comparative benchmark, which has investment characteristics similar to those of the Fund. Returns for the Institutional Money Market Funds Average are derived from data provided by Lipper Inc. Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance) or by calling Vanguard toll-free at 800-662-7447. 1 The year-to-date return as of the most recent calendar quarter, which

[Bar Chart](#)  
[Footnotes](#)

rr\_BarChartFootnotesTextBlock



[Bar Chart Closing](#)

rr\_BarChartClosingTextBlock

[Year to Date Return Label](#)

rr\_YearToDateReturnLabel

[Highest Quarterly Return Label](#) rr\_HighestQuarterlyReturnLabel  
[Lowest Quarterly Return Label](#) rr\_LowestQuarterlyReturnLabel

[Bar Chart and Performance Table:](#) rr\_PerformanceTableHeading

[Index No Deduction for Fees, Expenses, Taxes](#) rr\_IndexNoDeductionForFeesExpensesTaxes

Vanguard Market Liquidity Fund | Vanguard Market

ended on September 30, 2012 was 0.10%. During the periods shown in the bar chart, the highest return for a calendar quarter was 1.36% (quarter ended December 31, 2006 ), and the lowest return for a quarter was 0.03% (quarter ended December 31, 2011 ). The year-to-date return as of the most recent calendar quarter, which ended on September 30, 2012 (quarter ended December 31, 2006 ) (quarter ended December 31, 2011 ) Average Annual Total Returns for Periods Ended December 31, 2011 (reflects no deduction for fees, expenses, or taxes)

Liquidity Fund -  
Investor Shares

<a href="#">Risk/Return:</a>	rr_RiskReturnAbstract	
<a href="#">Sales charge (load) imposed on purchases</a>	rr_MaximumCumulativeSalesChargeOverOfferingPrice	none
<a href="#">Purchase Fee Sales charge (load) imposed on reinvested dividends</a>	rr_MaximumCumulativeSalesChargeOverOther	none
<a href="#">Redemption Fee Account Service Fee (for fund account balances below \$10,000)</a>	rr_MaximumSalesChargeOnReinvestedDividendsAndDistributionsOverOther	none
<a href="#">Redemption Fee Account Service Fee (for fund account balances below \$10,000)</a>	rr_RedemptionFeeOverRedemption	none
<a href="#">Management Expenses 12b-1 Distribution Fee</a>	rr_MaximumAccountFee	none
<a href="#">Other Expenses</a>	rr_ManagementFeesOverAssets	0.005%
<a href="#">Total Annual Fund Operating Expenses</a>	rr_DistributionAndService12b1FeesOverAssets	none
<a href="#">1 YEAR</a>	rr_OtherExpensesOverAssets	none
<a href="#">3 YEAR</a>	rr_NetExpensesOverAssets	0.005%
<a href="#">5 YEAR</a>	rr_ExpenseExampleNoRedemptionYear01	1
<a href="#">10 YEAR</a>	rr_ExpenseExampleNoRedemptionYear03	2
<a href="#">Annual Return Inception Date</a>	rr_ExpenseExampleNoRedemptionYear05	3
<a href="#">2005</a>	rr_ExpenseExampleNoRedemptionYear10	6
<a href="#">2006</a>	rr_AnnualReturnInceptionDate	Jul. 19, 2004
<a href="#">2007</a>	rr_AnnualReturn2005	3.31%
<a href="#">2008</a>	rr_AnnualReturn2006	5.17%
<a href="#">2009</a>	rr_AnnualReturn2007	5.35%
<a href="#">2010</a>	rr_AnnualReturn2008	2.69%
<a href="#">2011</a>	rr_AnnualReturn2009	0.41%
<a href="#">Date</a>	rr_AnnualReturn2010	0.23%
<a href="#">Year to Date Return</a>	rr_AnnualReturn2011	0.16%
<a href="#">Bar Chart</a>	rr_BarChartYearToDateReturnDate	Sep. 30, 2012
<a href="#">Highest Quarterly Return Date</a>	rr_BarChartYearToDateReturn	0.10%
<a href="#">Highest Quarterly Return Date</a>	rr_BarChartHighestQuarterlyReturnDate	Dec. 31, 2006

<a href="#">Bar Chart</a>		
<a href="#">Highest Quarterly Return</a>	rr_BarChartHighestQuarterlyReturn	1.36%
<a href="#">Bar Chart</a>		
<a href="#">Lowest Quarter Return Date</a>	rr_BarChartLowestQuarterlyReturnDate	Dec. 31, 2011
<a href="#">Bar Chart</a>		
<a href="#">Lowest Quarter Return</a>	rr_BarChartLowestQuarterlyReturn	0.03%
<a href="#">One Year</a>	rr_AverageAnnualReturnYear01	0.16%
<a href="#">Five Years</a>	rr_AverageAnnualReturnYear05	1.75%
<a href="#">Since Inception</a>	rr_AverageAnnualReturnSinceInception	2.42%
<a href="#">Inception Date</a>	rr_AverageAnnualReturnInceptionDate	Jul. 19, 2004
Vanguard Municipal Cash Management Fund   Retail		
<a href="#">Risk/Return:</a>	rr_RiskReturnAbstract	
<a href="#">Prospectus Date</a>	rr_ProspectusDate	Dec. 28, 2012
<a href="#">Risk/Return</a>	rr_RiskReturnHeading	Risk/Return
<a href="#">Investment objective:</a>	rr_ObjectiveHeading	Investment Objective
<a href="#">Investment objective</a>		The Fund seeks to provide current income that is exempt from federal personal income taxes, while maintaining liquidity and a stable share price of \$1.
	rr_ObjectivePrimaryTextBlock	Fees and Expenses
<a href="#">Expenses Heading</a>	rr_ExpenseHeading	The following table describes the fees and expenses you may pay if you buy and hold shares of the Fund.
<a href="#">Fees and Expenses of the Fund</a>		
	rr_ExpenseNarrativeTextBlock	
<a href="#">Shareholder Fees</a>		Shareholder Fees (Fees paid directly from
<a href="#">Caption</a>	rr_ShareholderFeesCaption	

Operating Expenses Caption

rr\_OperatingExpensesCaption

EXAMPLE Expense Example, Narrative [Text Block]

rr\_ExpenseExampleHeading

rr\_ExpenseExampleNarrativeTextBlock

your investment) Annual Fund Operating Expenses (Expenses that you pay each year as a percentage of the value of your investment) Example The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that total annual fund operating expenses remain as stated in the preceding table. The results apply whether

Strategy:

rr\_StrategyHeading

StrategyNarrative

rr\_StrategyNarrativeTextBlock

or not you  
redeem your  
investment at  
the end of the  
given period.  
Although your  
actual costs  
may be higher  
or lower, based  
on these  
assumptions  
your costs  
would be:  
Primary  
Investment  
Policies  
The Fund  
invests in a  
variety of high-  
quality, short-  
term municipal  
securities. To  
be considered  
high quality, a  
security  
generally must  
be rated in one  
of the two  
highest credit-  
quality  
categories for  
short-term  
securities by at  
least two  
nationally  
recognized  
rating services  
(or by one, if  
only one rating  
service has  
rated the  
security). If  
unrated, the  
security must  
be determined  
by Vanguard to  
be of quality  
equivalent to

securities in the two highest credit-quality categories. The Fund invests in securities with effective maturities of 397 days or less, and maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less. As a matter of fundamental policy, the Fund will invest at least 80% of its assets in tax-exempt municipal bonds (including securities that may be subject to alternative minimum tax) under normal market conditions.

Primary Risks  
The Fund is designed for investors with a low tolerance for risk; however, the Fund is subject to the following risks, which

[Risk:](#)  
[Risk Narrative](#)

rr\_RiskHeading

rr\_RiskNarrativeTextBlock

could affect the Fund's performance: Income risk, which is the chance that the Fund's income will decline because of falling interest rates. Because the Fund's income is based on short-term interest rates- which can fluctuate significantly over short periods-income risk is expected to be high. Credit risk, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline. Credit risk should be very low for the Fund because it invests primarily in securities that are considered to be of high quality.

[Money Market  
Fund](#)

rr\_RiskMoneyMarketFund

Manager risk, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the Fund. The Fund is designed for investors with a low tolerance for risk; however, the Fund is subject to the following risks, which could affect the



[Not Insured  
Depository  
Institution](#)

rr\_RiskNotInsuredDepositoryInstitution

Fund's performance:  
An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the Fund.

[Bar Chart and  
Performance  
Table  
Performance  
Information  
Illustrates  
Variability of  
Returns](#)

rr\_BarChartAndPerformanceTableHeading

Annual Total Returns

rr\_PerformanceInformationIllustratesVariabilityOfReturns

The following bar chart and table are intended to help you understand the risks of investing in the Fund.

[Performance  
Availability  
Phone](#)

rr\_PerformanceAvailabilityPhone

800-662-7447

[Performance  
Availability  
Website Address](#)

rr\_PerformanceAvailabilityWebSiteAddress

vanguard.com/  
performance

[Past Performance  
Does Not  
Indicate Future  
Returns](#)

rr\_PerformancePastDoesNotIndicateFuture

Keep in mind that the Fund's past performance does not

[Bar Chart](#)

rr\_BarChartHeading

[Bar Chart  
Narrative](#)

rr\_BarChartNarrativeTextBlock

indicate how the Fund will perform in the future.

Annual Total Returns - Vanguard Municipal Cash Management Fund Investor Shares

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a comparative benchmark, which has investment characteristics similar to those of the Fund. Returns for the Tax-Exempt Money Market Funds Average are derived from data

[Bar Chart](#)  
[Footnotes](#)

rr\_BarChartFootnotesTextBlock

[Bar Chart](#)  
[Closing](#)

rr\_BarChartClosingTextBlock

[Year to Date](#)  
[Return Label](#)

rr\_YearToDateReturnLabel

provided by Lipper Inc. Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance) or by calling Vanguard toll-free at 800-662-7447.

1 The year-to-date return as of the most recent calendar quarter, which ended on September 30, 2012 was 0.11%

During the periods shown in the bar chart, the highest return for a calendar quarter was 0.94% (quarter ended June 30, 2007 ), and the lowest return for a quarter was 0.03% (quarter ended December 31, 2011 ).

The year-to-date return as

		of the most recent calendar quarter, which ended on September 30, 2012
<a href="#">Highest Quarterly Return Label</a>	rr_HighestQuarterlyReturnLabel	(quarter ended June 30, 2007 )
<a href="#">Lowest Quarterly Return Label</a>	rr_LowestQuarterlyReturnLabel	(quarter ended December 31, 2011 )
<a href="#">Bar Chart and Performance Table:</a>	rr_PerformanceTableHeading	Average Annual Total Returns for Periods Ended December 31, 2011
<a href="#">Index No Deduction for Fees, Expenses, Taxes</a>	rr_IndexNoDeductionForFeesExpensesTaxes	(reflects no deduction for fees, expenses, or taxes)
Vanguard Municipal Cash Management Fund   Vanguard Municipal Cash Management Fund - Investor Shares		
<b><a href="#">Risk/Return:</a></b>	rr_RiskReturnAbstract	
<a href="#">Sales charge (load) imposed on purchases</a>	rr_MaximumCumulativeSalesChargeOverOfferingPrice	none
<a href="#">Purchase Fee</a>	rr_MaximumCumulativeSalesChargeOverOther	none
<a href="#">Sales charge (load) imposed on reinvested dividends</a>	rr_MaximumSalesChargeOnReinvestedDividendsAndDistributionsOverOther	none
<a href="#">Redemption Fee Account Service Fee (for fund account balances below \$10,000)</a>	rr_RedemptionFeeOverRedemption	none
<a href="#">Management Expenses</a>	rr_ManagementFeesOverAssets	0.01%

<a href="#">12b-1 Distribution Fee</a>	rr_DistributionAndService12b1FeesOverAssets	none
<a href="#">Other Expenses</a>	rr_OtherExpensesOverAssets	none
<a href="#">Total Annual Fund Operating Expenses</a>	rr_NetExpensesOverAssets	0.01%
<a href="#">1 YEAR</a>	rr_ExpenseExampleNoRedemptionYear01	1
<a href="#">3 YEAR</a>	rr_ExpenseExampleNoRedemptionYear03	3
<a href="#">5 YEAR</a>	rr_ExpenseExampleNoRedemptionYear05	6
<a href="#">10 YEAR</a>	rr_ExpenseExampleNoRedemptionYear10	13
<a href="#">Annual Return Inception Date</a>	rr_AnnualReturnInceptionDate	Jul. 19, 2004
<a href="#">2005</a>	rr_AnnualReturn2005	2.45%
<a href="#">2006</a>	rr_AnnualReturn2006	3.48%
<a href="#">2007</a>	rr_AnnualReturn2007	3.69%
<a href="#">2008</a>	rr_AnnualReturn2008	2.05%
<a href="#">2009</a>	rr_AnnualReturn2009	0.38%
<a href="#">2010</a>	rr_AnnualReturn2010	0.24%
<a href="#">2011</a>	rr_AnnualReturn2011	0.15%
<a href="#">Date</a>	rr_BarChartYearToDateReturnDate	Sep. 30, 2012
<a href="#">Year to Date Return</a>	rr_BarChartYearToDateReturn	0.11%
<a href="#">Bar Chart Highest Quarterly Return Date</a>	rr_BarChartHighestQuarterlyReturnDate	Jun. 30, 2007
<a href="#">Bar Chart Highest Quarterly Return</a>	rr_BarChartHighestQuarterlyReturn	0.94%
<a href="#">Bar Chart Lowest Quarter Return Date</a>	rr_BarChartLowestQuarterlyReturnDate	Dec. 31, 2011
<a href="#">Bar Chart Lowest Quarter Return</a>	rr_BarChartLowestQuarterlyReturn	0.03%
<a href="#">One Year</a>	rr_AverageAnnualReturnYear01	0.15%
<a href="#">Five Years</a>	rr_AverageAnnualReturnYear05	1.29%
<a href="#">Since Inception Inception Date</a>	rr_AverageAnnualReturnSinceInception	1.75%
	rr_AverageAnnualReturnInceptionDate	Jul. 19, 2004
Institutional		
Money Market		
Funds Average		
Vanguard Market		
Liquidity Fund		
Vanguard Market		

Liquidity Fund -  
Investor Shares

<b><u>Risk/Return:</u></b>	rr_RiskReturnAbstract	
<b><u>One Year</u></b>	rr_AverageAnnualReturnYear01	0.02%
<b><u>Five Years</u></b>	rr_AverageAnnualReturnYear05	1.57%
<b><u>Since Inception</u></b>	rr_AverageAnnualReturnSinceInception	2.14%

Tax-Exempt  
Money Market  
Funds Average |  
Vanguard  
Municipal Cash  
Management  
Fund | Vanguard  
Municipal Cash  
Management  
Fund - Investor  
Shares

<b><u>Risk/Return:</u></b>	rr_RiskReturnAbstract	
<b><u>One Year</u></b>	rr_AverageAnnualReturnYear01	none
<b><u>Five Years</u></b>	rr_AverageAnnualReturnYear05	0.95%
<b><u>Since Inception</u></b>	rr_AverageAnnualReturnSinceInception	1.28%

**Annual Fund Operating  
Expenses**

**12 Months  
Ended  
Aug. 31, 2012**

Vanguard Market Liquidity Fund - Investor Shares | Vanguard Market Liquidity Fund

**Annual Fund Operating Expenses (Expenses that you pay each year as a percentage of the value of your investment)**

<u>Management Expenses</u>	0.005%
<u>12b-1 Distribution Fee</u>	none
<u>Other Expenses</u>	none
<u>Total Annual Fund Operating Expenses</u>	0.005%

Vanguard Municipal Cash Management Fund - Investor Shares | Vanguard Municipal Cash Management Fund

**Annual Fund Operating Expenses (Expenses that you pay each year as a percentage of the value of your investment)**

<u>Management Expenses</u>	0.01%
<u>12b-1 Distribution Fee</u>	none
<u>Other Expenses</u>	none
<u>Total Annual Fund Operating Expenses</u>	0.01%

Vanguard Market Liquidity Fund

Risk/Return

Investment Objective

The Fund seeks to provide current income while maintaining liquidity and a stable share price of \$1.

Fees and Expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees (Fees paid directly from your investment)

<b>Shareholder Fees (Vanguard Market Liquidity Fund Retail) Vanguard Market Liquidity Fund (USD \$)</b>	<b>Vanguard Market Liquidity Fund - Investor Shares</b>
<a href="#"><u>Sales charge (load) imposed on purchases</u></a>	none
<a href="#"><u>Purchase Fee</u></a>	none
<a href="#"><u>Sales charge (load) imposed on reinvested dividends</u></a>	none
<a href="#"><u>Redemption Fee</u></a>	none
<a href="#"><u>Account Service Fee (for fund account balances below \$10,000)</u></a>	none

Annual Fund Operating Expenses (Expenses that you pay each year as a percentage of the value of your investment)

<b>Annual Fund Operating Expenses (Vanguard Market Liquidity Fund Retail) Vanguard Market Liquidity Fund</b>	<b>Vanguard Market Liquidity Fund - Investor Shares</b>
<a href="#"><u>Management Expenses</u></a>	0.005%
<a href="#"><u>12b-1 Distribution Fee</u></a>	none
<a href="#"><u>Other Expenses</u></a>	none
<a href="#"><u>Total Annual Fund Operating Expenses</u></a>	0.005%

Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that total annual fund operating expenses remain as stated in the preceding table. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<b>Expense Example, No Redemption (Vanguard Market Liquidity Fund Retail) Vanguard Market Liquidity Fund (USD \$)</b>	<b>1 YEAR</b>	<b>3 YEAR</b>	<b>5 YEAR</b>	<b>10 YEAR</b>
Vanguard Market Liquidity Fund - Investor Shares	1	2	3	6

Primary Investment Policies

The Fund invests in high-quality, short-term money market instruments, including certificates of deposit, banker's acceptances, commercial paper, Eurodollar and Yankee obligations, and other money market securities. To be considered high quality, a security generally must be rated in one of the two highest credit-quality



categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security). If unrated, the security must be determined by Vanguard to be of quality equivalent to securities in the two highest credit-quality categories. The Fund invests more than 25% of its assets in securities issued by companies in the financial services industry. The Fund maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less.

### Primary Risks

The Fund is designed for investors with a low tolerance for risk; however, the Fund is subject to the following risks, which could affect the Fund's performance:

**Income risk**, which is the chance that the Fund's income will decline because of falling interest rates. Because the Fund's income is based on short-term interest rates-which can fluctuate significantly over short periods-income risk is expected to be high.

**Manager risk**, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective.

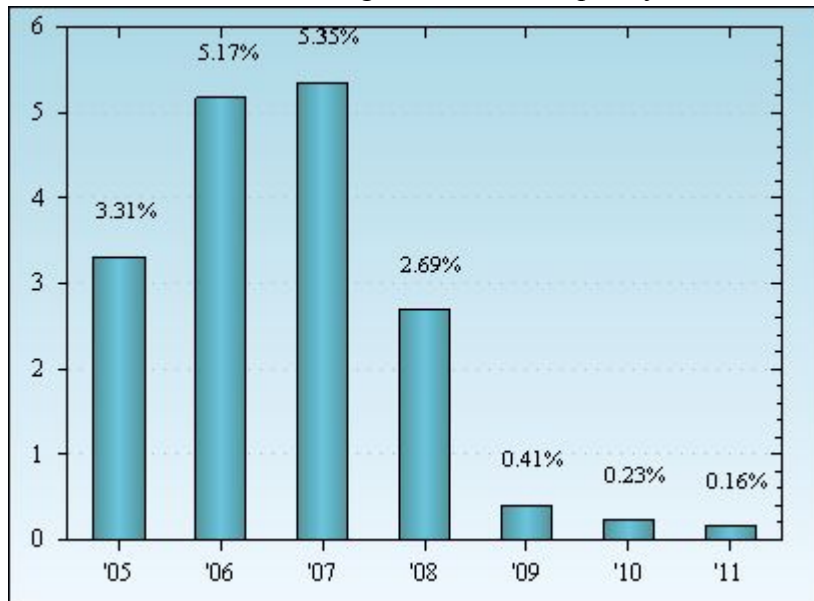
**Credit risk**, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline. Credit risk should be very low for the Fund because it invests primarily in securities that are considered to be of high quality.

**Industry concentration risk**, which is the chance that there will be overall problems affecting a particular industry. Because the Fund invests more than 25% of its assets in securities issued by companies in the financial services industry, the Fund's performance depends to a greater extent on the overall condition of that industry. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the Fund.

### Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a comparative benchmark, which has investment characteristics similar to those of the Fund. Returns for the Institutional Money Market Funds Average are derived from data provided by Lipper Inc. Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance) or by calling Vanguard toll-free at 800-662-7447.

Annual Total Returns - Vanguard Market Liquidity Fund Investor Shares



1 The year-to-date return as of the most recent calendar quarter, which ended on September 30, 2012 was 0.10%. During the periods shown in the bar chart, the highest return for a calendar quarter was 1.36% (quarter ended December 31, 2006 ), and the lowest return for a quarter was 0.03% (quarter ended December 31, 2011 ).

Average Annual Total Returns for Periods Ended December 31, 2011

<b>Average Annual Total Returns (Vanguard Market Liquidity Fund Retail) Vanguard Market Liquidity Fund</b>	<b>One Year</b>	<b>Five Years</b>	<b>Since Inception</b>
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Vanguard Market Liquidity Fund - Investor Shares	0.16%	1.75%	2.42%
Vanguard Market Liquidity Fund - Investor Shares Institutional Money Market Funds Average	0.02%	1.57%	2.14%

Vanguard Municipal Cash Management Fund

Risk/Return

Investment Objective

The Fund seeks to provide current income that is exempt from federal personal income taxes, while maintaining liquidity and a stable share price of \$1.

Fees and Expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the Fund.

Shareholder Fees (Fees paid directly from your investment)

<b>Shareholder Fees (Vanguard Municipal Cash Management Fund Retail) Vanguard Municipal Cash Management Fund (USD \$)</b>	<b>Vanguard Municipal Cash Management Fund - Investor Shares</b>
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<a href="#">Sales charge (load) imposed on purchases</a>	none
<a href="#">Purchase Fee</a>	none
<a href="#">Sales charge (load) imposed on reinvested dividends</a>	none
<a href="#">Redemption Fee</a>	none
<a href="#">Account Service Fee (for fund account balances below \$10,000)</a>	none

Annual Fund Operating Expenses (Expenses that you pay each year as a percentage of the value of your investment)

<b>Annual Fund Operating Expenses (Vanguard Municipal Cash Management Fund Retail) Vanguard Municipal Cash Management Fund</b>	<b>Vanguard Municipal Cash Management Fund - Investor Shares</b>
--	--

<a href="#">Management Expenses</a>	0.01%
<a href="#">12b-1 Distribution Fee</a>	none
<a href="#">Other Expenses</a>	none
<a href="#">Total Annual Fund Operating Expenses</a>	0.01%

Example

The following example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It illustrates the hypothetical expenses that you would incur over various periods if you invest \$10,000 in the Fund's shares. This example assumes that the Fund provides a return of 5% a year and that total annual fund operating expenses remain as stated in the preceding table. The results apply whether or not you redeem your investment at the end of the given period. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<b>Expense Example, No Redemption (Vanguard Municipal Cash Management Fund Retail) Vanguard Municipal Cash Management Fund (USD \$)</b>	<b>1 YEAR</b>	<b>3 YEAR</b>	<b>5 YEAR</b>	<b>10 YEAR</b>
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Vanguard Municipal Cash Management Fund - Investor Shares 1	3	6	13
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#### Primary Investment Policies

The Fund invests in a variety of high-quality, short-term municipal securities. To be considered high quality, a security generally must be rated in one of the two highest credit-quality categories for short-term securities by at least two nationally recognized rating services (or by one, if only one rating service has rated the security). If unrated, the security must be determined by Vanguard to be of quality equivalent to securities in the two highest credit-quality categories. The Fund invests in securities with effective maturities of 397 days or less, and maintains a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less. As a matter of fundamental policy, the Fund will invest at least 80% of its assets in tax-exempt municipal bonds (including securities that may be subject to alternative minimum tax) under normal market conditions.

#### Primary Risks

The Fund is designed for investors with a low tolerance for risk; however, the Fund is subject to the following risks, which could affect the Fund's performance:

**Income risk**, which is the chance that the Fund's income will decline because of falling interest rates. Because the Fund's income is based on short-term interest rates-which can fluctuate significantly over short periods-income risk is expected to be high.

**Credit risk**, which is the chance that the issuer of a security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that security to decline. Credit risk should be very low for the Fund because it invests primarily in securities that are considered to be of high quality.

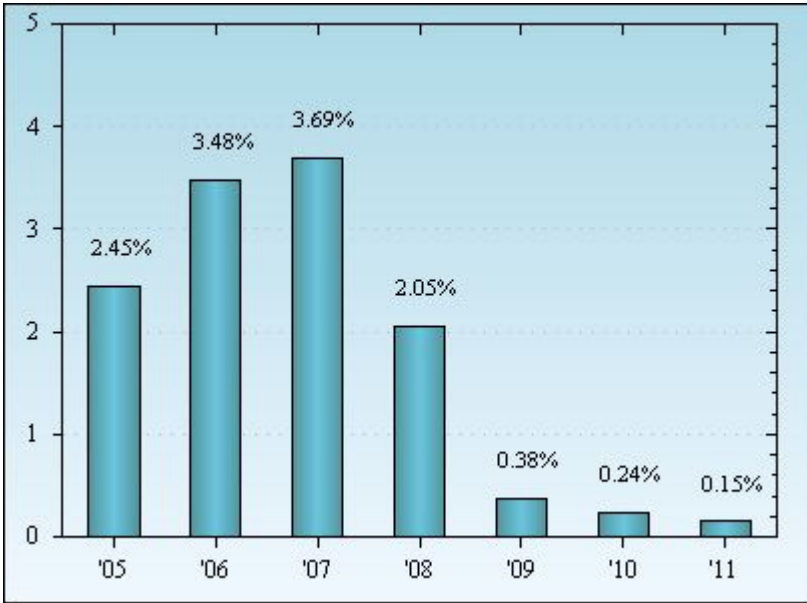
**Manager risk**, which is the chance that poor security selection will cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in the Fund.

#### Annual Total Returns

The following bar chart and table are intended to help you understand the risks of investing in the Fund. The bar chart shows how the performance of the Fund has varied from one calendar year to another over the periods shown. The table shows how the average annual total returns compare with those of a comparative benchmark, which has investment characteristics similar to those of the Fund. Returns for the Tax-Exempt Money Market Funds Average are derived from data provided by Lipper Inc. Keep in mind that the Fund's past performance does not indicate how the Fund will perform in the future. Updated performance information is available on our website at [vanguard.com/performance](http://vanguard.com/performance) or by calling Vanguard toll-free at 800-662-7447.

Annual Total Returns - Vanguard Municipal Cash Management Fund Investor Shares



1 The year-to-date return as of the most recent calendar quarter, which ended on September 30, 2012 was 0.11%. During the periods shown in the bar chart, the highest return for a calendar quarter was 0.94% (quarter ended June 30, 2007 ), and the lowest return for a quarter was 0.03% (quarter ended December 31, 2011 ).

Average Annual Total Returns for Periods Ended December 31, 2011

**Average Annual Total  
Returns (Vanguard  
Municipal Cash  
Management Fund Retail)  
Vanguard Municipal Cash  
Management Fund**

	<b>One Year</b>	<b>Five Years</b>	<b>Since Inception</b>
Vanguard Municipal Cash Management Fund - Investor Shares	0.15%	1.29%	1.75%
Vanguard Municipal Cash Management Fund - Investor Shares Tax-Exempt Money Market Funds Average	none	0.95%	1.28%

**Expense Example, No  
Redemption (USD \$)**

**12 Months  
Ended  
Aug. 31, 2012**

Vanguard Market Liquidity Fund - Investor Shares | Vanguard Market Liquidity Fund

**Expense Example, No Redemption:**

<u>1 YEAR</u>	\$ 1
<u>3 YEAR</u>	2
<u>5 YEAR</u>	3
<u>10 YEAR</u>	6

Vanguard Municipal Cash Management Fund - Investor Shares | Vanguard Municipal Cash Management Fund

**Expense Example, No Redemption:**

<u>1 YEAR</u>	1
<u>3 YEAR</u>	3
<u>5 YEAR</u>	6
<u>10 YEAR</u>	\$ 13