BUILD YOUR BEST LIFE
YOUR RETIREMENT PLAN IS ON THE MOVE
Changes

Over the next several weeks, your Turner Industries 401(k) Plan will undergo exciting changes. Turner Industries has selected Vanguard as the new record keeper.

This newsletter gives you the latest information about the transition. Please review it carefully to learn how the transition will affect you.

New to your Turner Industries 401(k) Plan will be another way you can contribute—called the Roth 401(k) after-tax feature, which could provide you with tax-free income in retirement, provided you meet certain conditions. See page 9 for details.

Note: If you no longer work for this company, some of the following information will not apply to you.
What the transition means to you

When your account moves to Vanguard, you’ll enjoy:

• **Investment flexibility.** You’ll have access to an array of investments to meet your needs.

• **Convenient account access.** You can check your balance, conduct transactions, and use financial planning tools at vanguard.com/retirementplans.

• **Enhanced education and planning.** You’ll enjoy a wealth of information from Vanguard about your plan and how to invest for retirement.

A pause for a smooth transition

To ensure an orderly transition, account activity will be restricted temporarily. During the transition, you will not be able to:

• Move money between funds.
• Change which funds you invest your money in.
• Request a loan.
• Make unscheduled loan payments.
• Request withdrawals or distributions.

Throughout the transition, you can continue to make contributions and scheduled loan payments (if applicable), and you can change the amount of money deducted from your paycheck.

A WORD ABOUT VANGUARD

Vanguard has been a trusted provider of employer retirement plans for more than three decades, which is why your company has chosen Vanguard as the new home for your plan. At Vanguard, our mission is to take a stand for all investors, to treat them fairly, and to give them the best chance for investment success. Today we’re helping millions of participants just like you save for a comfortable retirement.
Review your investments and make elections

You may want to review your current investment strategy to make sure it is still in line with your goals, time horizon, and risk tolerance. For your long-term retirement needs, you should carefully consider the importance of a balanced and diversified investment portfolio, taking into account all your assets, income, and investments. Keep in mind that diversification does not ensure a profit or protect against a loss. All investing is subject to risk, including the possible loss of the money you invest.

**Election window: Choose your investments**

You can choose where you would like your money to be invested in the plan at Vanguard. You **must make elections between December 1 and December 15, 2016.** If you do not select investments during this time, your money will be moved to the Vanguard Institutional Target Retirement Fund with the target date closest to the year in which you will reach age 65.

After the election window closes, but before the freeze on your account is lifted, you will have access to your account through vanguard.com. However, you will not be able make any changes until after the freeze on your account is lifted.
How to make your elections

You can make your elections online by following these steps:

1. Go to vanguard.com/register to get online access. You will need your plan number: 092336. Follow the prompts to create a user name and password.

2. Click Manage my money.

3. Click Change my investments to select your investments.

Once you’re logged on to your account at vanguard.com/retirementplans, you can choose beneficiaries by selecting My Profile, then Beneficiaries.

You may also call Vanguard at 800-523-1188 Monday through Friday from 8:30 a.m. to 9 p.m., Eastern time, to make your elections by phone.

If I do nothing, what will happen to my money?

Your balance and contributions will move to the Vanguard Institutional Target Retirement Fund with the target date closest to the year in which you will reach age 65.

The default contribution rate in your plan at Vanguard will be your contribution rate in your current plan.

After the transition, you can transfer money between funds or redirect your contributions by contacting Vanguard online, through our mobile app, or by phone.

Key dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>December 1, 2016, at 9 a.m., Eastern time</td>
<td>Elections begin. Choose investments.</td>
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<tr>
<td>December 15, 2016, at 4 p.m., Eastern time</td>
<td>Last day to make elections for your investments before the transition.</td>
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<tr>
<td>December 28, 2016, at 4 p.m., Eastern time</td>
<td>Transition begins. Deadline to move money between funds or request contribution allocation changes, loans, withdrawals, and distributions in your current plan at Merrill Lynch.</td>
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<tr>
<td>December 30, 2016, at 4 p.m., Eastern time</td>
<td>All assets in your account are valued at Merrill Lynch, which then sells them and transfers the cash proceeds to Vanguard.*</td>
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<tr>
<td>January 3, 2017</td>
<td>All assets are invested at Vanguard in the investments you selected or, if you made no elections, in the default target-date investment.*</td>
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<tr>
<td>Week of January 15, 2017</td>
<td>Transition ends. All transactions are available through Vanguard.</td>
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*Any assets sold will be valued based on each fund’s net asset value (NAV) at market close on December 30, 2016, and invested at Vanguard based on each fund’s NAV at market close on January 3, 2017. Your money will be temporarily invested in a short-term investment fund. Once your records have been reconciled, your money in a short-term investment fund will be invested according to your instructions or in Vanguard Institutional Target Retirement Fund with the target date closest to the year in which you will reach age 65. Any earnings accrued in a short-term investment fund will be allocated to your account on a prorated basis. From the time assets are sold by Merrill Lynch until they are invested at Vanguard, your investments will be out of the market and will not receive any earnings or incur any losses based on market performance. The trade date is dependent upon timely receipt of the wire and good order of transfer documents from Merrill Lynch.
Choices

Your new investment lineup

Now it’s easier to choose investments for your retirement plan. That’s because your plan’s investments are divided between two tiers—all-in-one investments and core investments. Whether you’re an experienced or a novice investor, you can create a portfolio that fits your investment objective, time horizon, and comfort with risk.
Tier 1: All-in-one investments

How your money is invested between stocks and bonds—now and as you grow older—is one of your most important financial decisions. Your plan’s target-date investments are the Vanguard Institutional Target Retirement Funds:

- Vanguard Institutional Target Retirement Income Fund
- Vanguard Institutional Target Retirement 2010 Fund
- Vanguard Institutional Target Retirement 2015 Fund
- Vanguard Institutional Target Retirement 2020 Fund
- Vanguard Institutional Target Retirement 2025 Fund
- Vanguard Institutional Target Retirement 2030 Fund
- Vanguard Institutional Target Retirement 2035 Fund
- Vanguard Institutional Target Retirement 2040 Fund
- Vanguard Institutional Target Retirement 2045 Fund
- Vanguard Institutional Target Retirement 2050 Fund
- Vanguard Institutional Target Retirement 2055 Fund
- Vanguard Institutional Target Retirement 2060 Fund

Target-date investments provide a professionally maintained, diversified mix that shifts its emphasis to more conservative investments as the year of retirement nears.

Investments in Target Retirement Funds are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the workforce. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a Target Retirement Fund is not guaranteed at any time, including on or after the target date.

If you choose this tier, consider making a single Vanguard Institutional Target Retirement Fund your only plan investment. Why? Because each target-date fund is a broadly diversified investment mix on its own. Even though target-date funds can simplify the investment process, they still require some monitoring to ensure that the portfolio is in line with your current situation.

Consider choosing the investment with the date that’s closest to the year in which you expect to retire. If you are already retired, consider choosing the Vanguard Institutional Target Retirement Income Fund. This option seeks to provide current income and some capital appreciation to retirees.
Tier 2: Core investments

If you want to create your own diversified investment mix, you may want to start with the funds in this tier. Some core investments are index funds, which can provide low-cost access to broad segments of the stock and bond markets. Index funds generally use a buy-and-hold strategy.

Core investments can offer the basic ingredients for a diversified, well-balanced portfolio. You can combine several to create a portfolio that suits your tolerance for risk, time until retirement, and investing experience.

This tier also includes a more conservative money market fund.

Your plan’s core investments:

- Vanguard Retirement Savings Trust III
- Blackrock U.S. Debt Index Non-Lendable Fund M
- MFS Total Return Bond Fund Class R6
- Vanguard Inflation-Protected Securities Fund Admiral™ Shares
- Vanguard Equity Income Admiral Shares
- Harbor Capital Appreciation Fund Institutional Class
- BlackRock Equity Index Non-Lendable Fund M
- BlackRock Mid Cap Equity Index Non-Lendable Fund M
- Vanguard Strategic Equity Fund
- BlackRock Russell 2000 Index Non-Lendable Fund M
- BlackRock MSCI ACWI ex-US IMI Non-Lendable Fund R
- American Funds EuroPacific Growth Fund Class R-6

A note about risk

While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest. Bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer’s ability to make payments. Prices of mid-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk.
What’s new?

Starting in January 2017, you’ll have another way to contribute to your Turner Industries 401(k) Plan. It’s the Roth 401(k) after-tax feature, which could provide you with tax-free income in retirement.

When you contribute to your plan on a Roth after-tax basis, you’ll pay ordinary income taxes today, but your withdrawals are tax-free, provided you have reached age 59½ and made your first Roth contribution at least five years earlier.

*Keep in mind that withdrawals from a Roth 401(k) account are tax-free if you are over age 59½ and have held the account for at least five years. If you take a withdrawal from your Roth 401(k) account before age 59½ or less than five years from the first contribution, the portion of the withdrawal that is attributable to earnings may be subject to ordinary income tax and a 10% federal penalty tax.*

The IRS also limits Roth contributions. For current IRS limits, visit vanguard.com/contributionlimits.

**Who might benefit?**
If you’re financially well-prepared for retirement, Roth contributions can make sense. Strong savers and those with generous retirement benefits may owe significant income taxes in retirement. Having tax-exempt savings could lessen the burden.

You might also benefit by making Roth contributions if:

- You’re at the start of your career and expect your income to rise substantially over the years.
- Your income is too high to allow you to contribute to a Roth IRA.
- You’re in a low tax bracket today—10% or 15%.

**Who might not benefit?**
You might not benefit from Roth contributions if you expect Social Security to be your main source of retirement income. That’s because your income—and tax rate—may drop in retirement.

**You may also not benefit if you:**

- Receive commissions or bonuses that may cause your pay to spike, temporarily lifting you into a higher tax bracket.
- Your income qualifies you for valuable tax credits such as the earned income tax credit. Making Roth contributions may push your income over the eligibility limit for these credits.

For more information, visit vanguard.com/rothfeature anytime.
What’s next?

In the next few weeks you will receive more information about the move to Vanguard. Watch for posters at work and mailings to your home reminding you of the key transition dates. You’ll also be invited to a meeting presented by Vanguard and your company. There you’ll learn more about the plan’s features and funds, and how to choose appropriate investments for retirement.

If you’d like to review your asset mix before your plan moves to Vanguard and want some guidance, then complete the Investor Questionnaire at vanguard.com/assetmix. Simply answer 11 questions about your investment objectives, time horizon, and comfort with risk and receive a recommended mix. If you find that your account is off course, you can rebalance once the transition is complete.

Connect with Vanguard

After the move to Vanguard is complete, you can contact Vanguard about your account online, on your mobile device, or by phone. You’ll receive more information about Vanguard in the weeks to come; meanwhile, visit Vanguard’s award-winning website, vanguard.com.
For more information about any fund, including investment objectives, risks, charges, and expenses, call Vanguard at 800-523-1188 to obtain a prospectus or, if available, a summary prospectus. The prospectus contains this and other important information about the fund. Read and consider the prospectus information carefully before you invest. You can also download Vanguard fund prospectuses at vanguard.com.

A stable value investment is neither insured nor guaranteed by the U.S. government. There is no assurance that the investment will be able to maintain a stable net asset value, and it is possible to lose money in such an investment.

Vanguard Retirement Savings Trust III is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants. The collective trust mandates are managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc.