



THE CHAIRMAN

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

April 23, 1998

Mr. John J. Brennan  
Chairman and Chief Executive Officer  
The Vanguard Group  
P.O. Box 2600  
Valley Forge, PA 19482-2600

Dear Jack:

Thank you for your kind words on my reconfirmation and for your compliments on the Commission's adoption of the new mutual fund disclosure rules. Like you, I believe that these rules emphasize in the boldest of terms the Commission's commitment to improving the quality of the disclosure materials sent to fund investors.

Your support for our decision to change our approach to the disclosure of waivers and reimbursements in mutual fund fee tables is much appreciated. We considered the matter quite carefully and concluded that the new way of presenting this information would be more helpful to investors. We were aware that our decision would be criticized, and we understand that it has been questioned by industry members. I continue to believe that the change will help provide fund investors with better disclosure about mutual fund fees.

Thanks for taking the time to write.

Sincerely,

A handwritten signature in black ink, appearing to be "AL", written over a horizontal line.

Arthur Levitt

P.S. Thanks again for participating in our Technology Round Table. Your comments, as always, were thoughtful, meaningful and, of course, in plain English. Most importantly, your comments reflected your role as a true industry leader.