

A Hypothetical Illustration for BUS-121 Spring 2018

PREPARED BY

Frank Paiano

Private Portfolio of San Diego, Inc.
2320 Soto Street
San Diego, CA 92107-1410

Phone: 619-248-0945

Email: frank@privateportfolio.com

This report is not complete unless all pages, as noted below, are included. Please read the information in the 'Important Disclosures' found at the beginning of this report.

Investments are not FDIC - insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

Important Disclosures

Figures shown are past results and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Share prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For more current information and month-end results, visit americanfunds.com.

Regular investing does not ensure a profit or protect against loss. Investors should consider their willingness to keep investing when share prices are declining. Market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. Results for the Lipper indexes do not reflect sales charges. There have been periods when the fund has lagged the index.

This illustration must be preceded or accompanied by the fund's current summary prospectus or prospectus, which details charges, expenses, investment objectives and operating policies. The American Funds are distributed by American Funds Distributors, Inc.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. Expense ratios are as of each fund's prospectus available at the time of publication. The expense ratios for American Funds Corporate Bond Fund and Class F-3 shares are estimated. When applicable, investment results reflect fee waivers and/or expense reimbursements, without which results would have been lower. Please see americanfunds.com for more information. For the funds and/or share classes listed below, the investment adviser is currently reimbursing a portion of the funds' fees or expenses, without which the results would have been lower and net expense ratios higher.

- American Funds Retirement Target Date Series funds: Class F-3 shares (through at least April 7, 2018)
- American Funds Developing World Growth and Income Fund, American Funds Global Balanced Fund and American Funds Inflation Linked Bond Fund: Class R-2E and R-5E shares (through at least April 7, 2018)
- The New Economy Fund, New World Fund, American Mutual Fund, Capital World Growth and Income Fund, Capital Income Builder, The Bond Fund of America, Capital World Bond Fund and the American Funds Portfolio Series funds: Class R-5E shares (through at least April 7, 2018)
- American Funds Tax-Exempt Preservation Portfolio: all share classes (through at least April 7, 2018)
- AMCAP Fund: Class R-5E shares (through at least May 1, 2018)
- American Funds Corporate Bond Fund: all share classes (through at least August 1, 2018)
- American Funds Tax-Exempt Fund of New York: all share classes (through at least October 1, 2018)
- American Funds Mortgage Fund: Class R-2E and R-5E shares (through at least November 1, 2018)
- Intermediate Bond Fund of America, Short-Term Bond Fund of America and U.S. Government Securities Fund: Class R-5E shares (through at least November 1, 2018)
- American High-Income Trust and American Funds U.S. Government Money Market Fund: Class R-5E shares (through at least December 1, 2018)

The investment adviser may elect at its discretion to extend, modify or terminate the reimbursements at that time. Please see each fund's most recent prospectus for details. The expense ratios for the College Target Date Series, Target Date Retirement Series and Portfolio Fund Series include the weighted average expenses of the underlying funds. Please see the fund's most recent prospectus for details.

Standardized Average Annual Total Returns for Quarter Ended 3/31/2018

Returns for periods of less than one year are not annualized

Inception Max. Initial Sales

Security Name	Inception Date	Max. Initial Sales Charge/CDSC	1 Year	5 Years	10 Years	Since Inception
The Bond Fund of America A (ABNDX)	5/28/1974	3.75% Front	-3.14%	0.85%	2.58%	7.38%

Gross Charges and Expenses

Fund Name	Sales Charge	Max CDSC	Max Redem Fee	Total Gross Operating Expense
The Bond Fund of America A (ABNDX)	3.75%	1.00%	0.00%	0.61%

The fund does not assess redemption fees. However, shareholders redeeming shares may be subject to the fund's Purchase Blocking Policy as described in the prospectus.

The illustration included herein does not reflect the effects of taxes in some or all of the investments.

If the results shown on the following pages do not reflect deduction of an initial sales charge (i.e. they are at net asset value), please note that they would have been lower if the sales charge had been deducted.

Class A shares are subject to an up-front maximum sales charge of 5.75% for equity funds and most Portfolio Series funds, 3.75% for most fixed income funds and American Funds Tax-Advantaged Income Portfolio, and 2.50% for Intermediate Bond Fund of America, Short-Term Bond Fund of America, American Funds Short-Term Tax-Exempt Bond Fund, Limited Term Tax-Exempt Bond Fund of America, American Funds Preservation Portfolio and American Funds Tax-Exempt Preservation Portfolio. The sales charge declines for accounts and aggregated investments (\$25,000 for equity and target date funds, \$100,000 for most bond funds, \$500,000 for Intermediate Bond Fund of America, Short Term Bond Fund of America, American Funds Short-Term Tax-Exempt Bond Fund, and Limited Term Tax-Exempt Bond Fund of America). There is no initial sales charge on purchases of \$1 million or more. A 1% contingent deferred sales charge (CDSC) may be assessed if a redemption occurs within 18 months of purchase. Results on the following pages reflect deduction of the CDSC if the investment is \$1 million or more and a withdrawal is selected within 18 months of purchase. Certain withdrawals before age 59 1/2 may be subject to income tax and, if applicable, to a 10% federal penalty. For current information and month-end results, visit americanfunds.com.

The return of principal for bond funds and for funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the prospectus. These risks may be heightened in connection with investments in developing countries.

Higher yielding, higher risk bonds can fluctuate in price more than investment-grade bonds, so investors should maintain a long-term perspective.

- The A/529-A share 1, 5, and 10-year return for each fund is based on the MOP value.
- The "Average annual return on the investment" is based on the initial investment and the breakpoint chosen.
- Cumulative Volume Discount Reflected Where Applicable in This Illustration.
- NOTE: Systematic Accumulation Plans cannot assure a profit or protect against loss in declining markets.

The Bond Fund of America A (ABNDX)

Date	Initial Investment	Initial Sales Charge	Net Amount Invested	Shares Purchased
03/01/1978	\$100.00	3.75%	\$96	6.601

\$100 initial investment on 03/01/1978. Dividends and capital gains are reinvested. Subsequent investments from 04/01/1978 to 02/28/2018 every month starting at \$100.00 and increasing by \$10.00, every twelve months, on the first day of the month. The initial investment is subject to a 3.75% sales charge. Subsequent investments are subject to a sales charge of up to 3.75%. The effects of income and capital gains taxes are not demonstrated.

Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/1978	1,000	47	47	0	71	970
12/31/1979	1,290	171	217	0	176	2,238
12/31/1980	1,410	358	576	0	315	3,703
12/31/1981	1,530	632	1,208	0	506	5,512
12/31/1982	1,650	947	2,154	0	728	9,230
12/31/1983	1,770	1,198	3,352	0	956	11,865
12/31/1984	1,890	1,568	4,921	0	1,237	15,268
12/31/1985	2,010	1,992	6,913	0	1,538	21,547
12/31/1986	2,130	2,486	9,398	733	1,904	27,055
12/31/1987	2,250	2,757	12,155	0	2,266	29,769
12/31/1988	2,370	3,119	15,274	0	2,668	35,321
12/31/1989	2,490	3,752	19,025	0	3,129	41,392
12/31/1990	2,610	4,194	23,220	0	3,658	45,321
12/31/1991	2,730	4,623	27,843	0	4,216	57,759
12/31/1992	2,850	5,113	32,956	190	4,798	67,119
12/31/1993	2,970	5,483	38,439	2,073	5,511	79,631
12/31/1994	3,090	6,117	44,556	0	6,191	78,559
12/31/1995	3,210	6,843	51,398	0	6,935	96,251
12/31/1996	3,330	7,419	58,818	0	7,715	106,080
12/31/1997	3,450	7,923	66,741	0	8,528	119,391
12/31/1998	3,570	8,521	75,262	1,275	9,485	129,094
12/31/1999	3,690	9,240	84,502	0	10,452	135,665
12/31/2000	3,810	10,509	95,011	0	11,564	147,901
12/31/2001	3,930	10,826	105,837	0	12,692	162,328
12/31/2002	4,050	11,028	116,865	0	13,885	176,339
12/31/2003	4,170	10,149	127,014	0	14,963	202,156
12/31/2004	4,290	9,887	136,901	0	16,004	218,452
12/31/2005	4,410	11,208	148,109	0	17,158	226,823
12/31/2006	4,530	11,626	159,735	0	18,370	244,687
12/31/2007	4,650	13,339	173,073	0	19,719	257,531
12/31/2008	4,770	15,324	188,397	0	21,396	230,225
12/31/2009	4,890	11,533	199,930	0	22,853	269,671

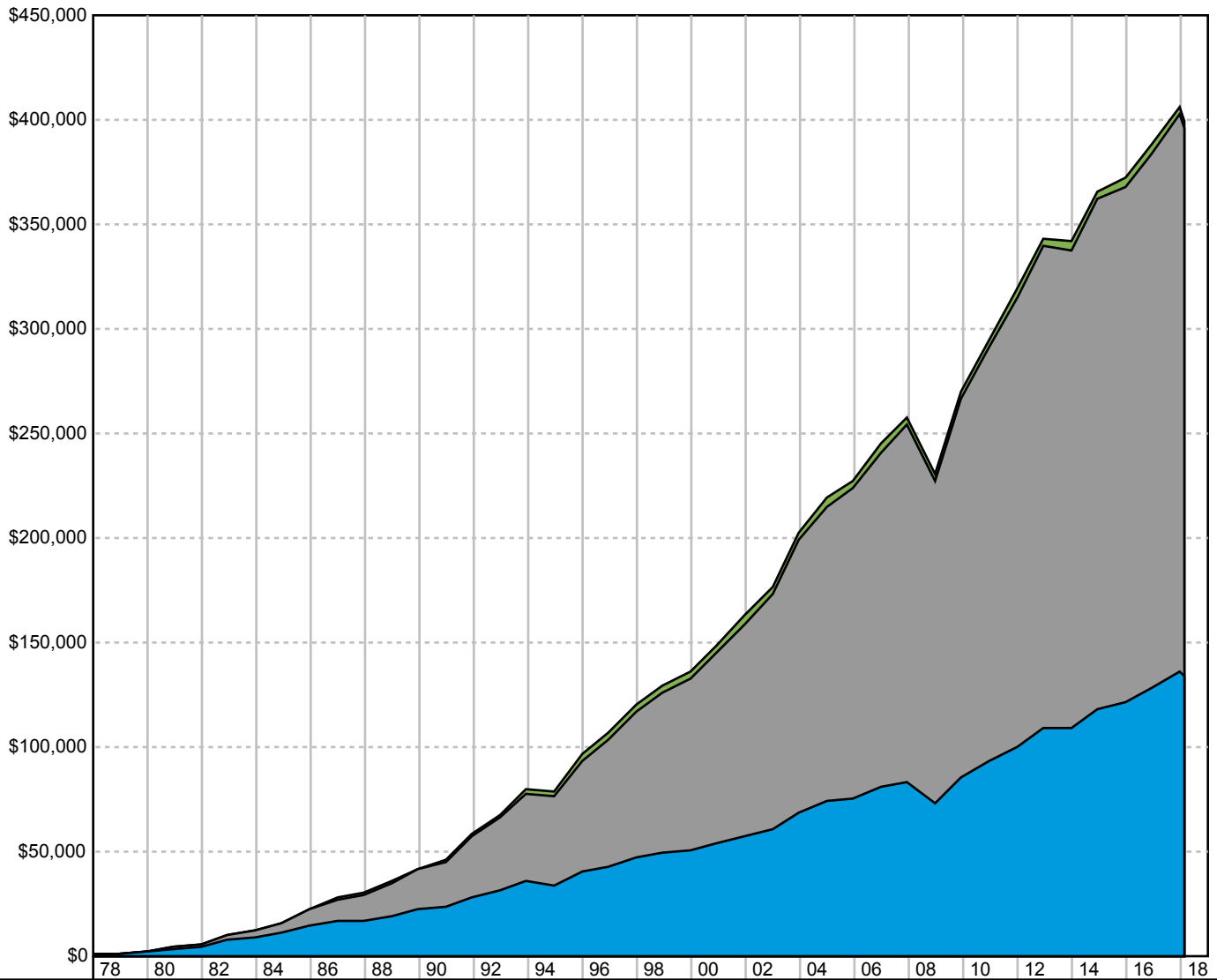
Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/2010	5,010	10,858	210,788	0	24,145	294,329
12/31/2011	5,130	10,416	221,204	0	25,390	318,648
12/31/2012	5,250	8,615	229,819	0	26,461	342,672
12/31/2013	5,370	7,940	237,759	0	27,503	341,040
12/31/2014	5,490	7,593	245,352	0	28,522	365,368
12/31/2015	5,610	7,307	252,659	0	29,520	371,658
12/31/2016	5,730	6,511	259,170	0	30,457	387,407
12/31/2017	5,850	7,340	266,510	0	31,468	405,627
02/28/2018	980	1,254	267,763	0	31,642	398,689
Total	141,210	267,763	267,763	4,272	31,642	398,689

Average annual return on the investment for the period 03/01/1978 - 02/28/2018 : 5.68%

3/1/1978 - 2/28/2018

Total Ending Amount: \$398,689

The Bond Fund of America A (ABNDX) : \$100 initial investment on 03/01/1978. Dividends and capital gains are reinvested. Subsequent investments from 04/01/1978 to 02/28/2018 every month starting at \$100.00 and increasing by \$10.00, every twelve months, on the first day of the month. The initial investment is subject to a 3.75% sales charge. Subsequent investments are subject to a sales charge of up to 3.75%. The effects of income and capital gains taxes are not demonstrated.



- From Capital Gains (Ending value: \$3,795)
- From Income (Ending value: \$261,509)
- From Principal (Ending value: \$133,385)

This graph must be accompanied by the underlying Hypo illustration(s).