

A Hypothetical Illustration for BUS-121 Spring 2019

PREPARED BY

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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 carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses, summary prospectuses, CollegeAmerica Program Description and ABLEAmerica Program Description, which should be obtained from a financial professional and should be read carefully before investing. 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 Class F-3 and ABLE-A 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 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)
- American Funds 2010 - 2020 and 2040 - 2055 Target Date Retirement funds: Class F-3 shares (through at least January 1, 2019)
- American Mutual Fund: Class R-5E shares (through at least January 1, 2019)
- American Funds Global Balanced Fund: Class R-2E and R-5E shares (through at least January 1, 2019)
- American Funds Tax-Exempt Preservation Portfolio and American Funds 2060 Target Date Retirement Fund: all share classes (through at least January 1, 2019)
- American Funds Developing World Growth and Income Fund: Class F-3, R-2E and R-5E shares (through at least February 1, 2019)
- Capital World Bond Fund: Class R-5E shares (through at least March 1, 2019)

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.

As compensation for its oversight and administration, Virginia529SM receives a quarterly fee accrued daily and calculated at the annual rate of 0.10% on the first \$20 billion of the net assets invested in ABLEAmerica and CollegeAmerica in the aggregate and 0.05% on net assets between \$20 billion and \$100 billion. This fee applies to both Class 529 and Class ABLE-A shares. Additional breakpoints apply to assets in excess of \$100 billion. Virginia529SM is currently waiving the fee with respect to ABLEAmerica assets. This waiver will be in effect through at least July 1, 2019. Subject to the terms of its contractual arrangement with the investment adviser, Virginia529SM may elect to extend, modify or terminate the waiver at that time.

Standardized Average Annual Total Returns for Quarter Ended 3/31/2019

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
American Balanced Fund A (ABALX)	7/26/1975	5.75% Front	0.19%	6.25%	11.29%	10.41%

Gross Charges and Expenses

Fund Name	Sales Charge	Max CDSC	Max Redem Fee	Total Gross Operating Expense
American Balanced Fund A (ABALX)	5.75%	1.00%	0.00%	0.57%

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.

- 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.

American Balanced Fund A (ABALX)

Date	Initial Investment	Initial Sales Charge	Net Amount Invested	Shares Purchased
04/01/1979	\$100.00	5.75%	\$94	11.364

\$100 initial investment on 04/01/1979. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 05/01/1979 to 03/31/2019 every month, on the first day of the month. The initial investment is subject to a 5.75% sales charge. Subsequent investments are subject to a sales charge of up to 5.75%. 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
12/31/1979	900	23	23	0	105	855
12/31/1980	1,200	111	134	0	254	2,220
12/31/1981	1,200	227	361	0	411	3,471
12/31/1982	1,200	346	707	0	582	5,868
12/31/1983	1,200	494	1,201	0	734	8,004
12/31/1984	1,200	616	1,817	736	992	9,983
12/31/1985	1,200	713	2,530	505	1,219	14,201
12/31/1986	1,200	891	3,421	2,754	1,643	17,790
12/31/1987	1,200	1,168	4,589	864	1,933	19,580
12/31/1988	1,200	1,264	5,853	680	2,226	23,288
12/31/1989	1,200	1,567	7,420	1,402	2,589	29,539
12/31/1990	1,200	1,715	9,136	746	2,930	30,235
12/31/1991	1,200	1,894	11,030	406	3,234	38,973
12/31/1992	1,200	2,021	13,051	919	3,573	43,877
12/31/1993	1,200	2,214	15,265	1,745	3,979	50,019
12/31/1994	1,200	2,299	17,564	206	4,279	51,342
12/31/1995	1,200	2,464	20,028	2,119	4,705	66,571
12/31/1996	1,200	2,710	22,738	4,189	5,263	76,572
12/31/1997	1,200	3,034	25,772	7,155	5,991	93,938
12/31/1998	1,200	3,435	29,207	6,546	6,702	105,621
12/31/1999	1,200	3,862	33,068	9,095	7,659	110,437
12/31/2000	1,200	4,379	37,447	4,621	8,355	129,251
12/31/2001	1,200	4,773	42,221	2,624	8,898	141,034
12/31/2002	1,200	3,888	46,109	214	9,245	133,314
12/31/2003	1,200	3,469	49,578	0	9,547	165,070
12/31/2004	1,200	3,477	53,055	4,335	10,057	181,027
12/31/2005	1,200	4,072	57,127	3,457	10,542	187,857
12/31/2006	1,200	5,020	62,147	4,398	11,108	211,279
12/31/2007	1,200	5,852	68,000	5,011	11,724	226,396
12/31/2008	1,200	6,459	74,459	1,643	12,272	169,105
12/31/2009	1,200	5,109	79,568	0	12,715	206,108
12/31/2010	1,200	4,631	84,199	0	13,063	234,213

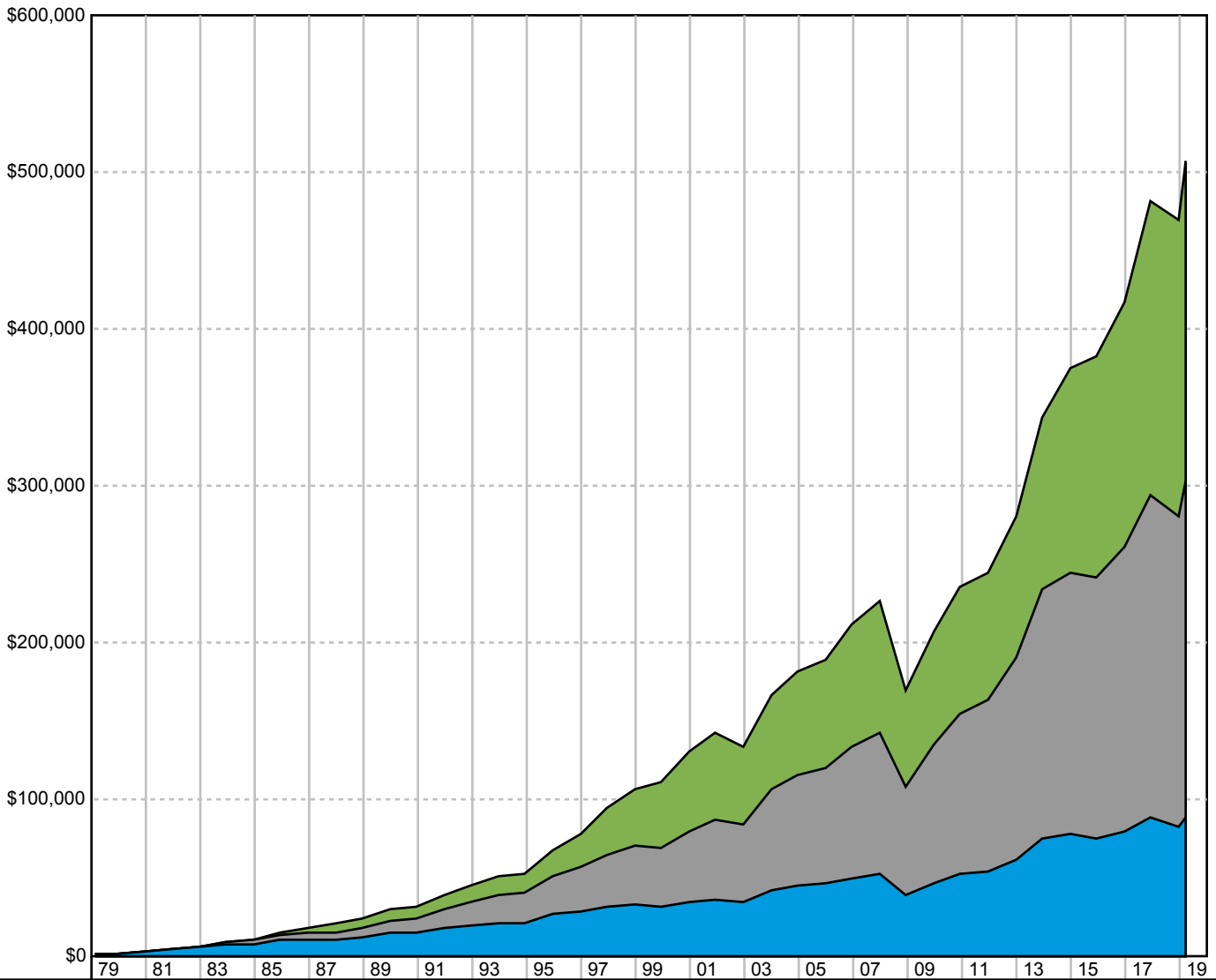
Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/2011	1,200	5,284	89,483	0	13,418	244,335
12/31/2012	1,200	5,151	94,634	0	13,738	280,249
12/31/2013	1,200	5,267	99,901	0	14,023	342,448
12/31/2014	1,200	5,447	105,348	20,481	15,110	373,978
12/31/2015	1,200	6,110	111,457	14,374	16,014	381,608
12/31/2016	1,200	7,132	118,590	9,991	16,756	415,711
12/31/2017	1,200	8,215	126,804	16,711	17,727	481,299
12/31/2018	1,200	9,342	136,146	18,257	18,852	469,409
03/31/2019	300	1,886	138,033	0	18,934	506,870
Total	48,000	138,033	138,033	146,183	18,934	506,870

Average annual return on the investment for the period 04/01/1979 - 03/31/2019 : 9.64%

4/1/1979 - 3/31/2019

Total Ending Amount: \$506,870

American Balanced Fund A (ABALX) : \$100 initial investment on 04/01/1979. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 05/01/1979 to 03/31/2019 every month, on the first day of the month. The initial investment is subject to a 5.75% sales charge. Subsequent investments are subject to a sales charge of up to 5.75%. The effects of income and capital gains taxes are not demonstrated.



- From Capital Gains (Ending value: \$204,552)
- From Income (Ending value: \$214,168)
- From Principal (Ending value: \$88,150)

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