

# A Hypothetical Illustration for BUS123 Spring 2018

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**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](http://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](http://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 Investment Company of America A (AIVSX)	1/1/1934	5.75% Front	5.38%	11.31%	7.92%	12.05%

#### Gross Charges and Expenses

Fund Name	Sales Charge	Max CDSC	Max Redem Fee	Total Gross Operating Expense
The Investment Company of America A (AIVSX)	5.75%	1.00%	0.00%	0.58%

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](http://americanfunds.com).**

- 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 Investment Company of America A (AIVSX)**

Date	Initial Investment	Initial Sales Charge	Net Amount Invested	Shares Purchased
04/01/1993	\$400,000.00	None	\$400,000	21,822.149

\$400,000 initial investment on 04/01/1993. Dividends and capital gains are reinvested. Withdrawals from 05/01/1993 to 03/31/2018 every month starting at 5.00% (annually) of Initial Investment and increasing by 3.00%, every twelve months, on the first day of the month as long as funds are available. The initial investment is not subject to sales charge. The effects of income and capital gains taxes are not demonstrated.

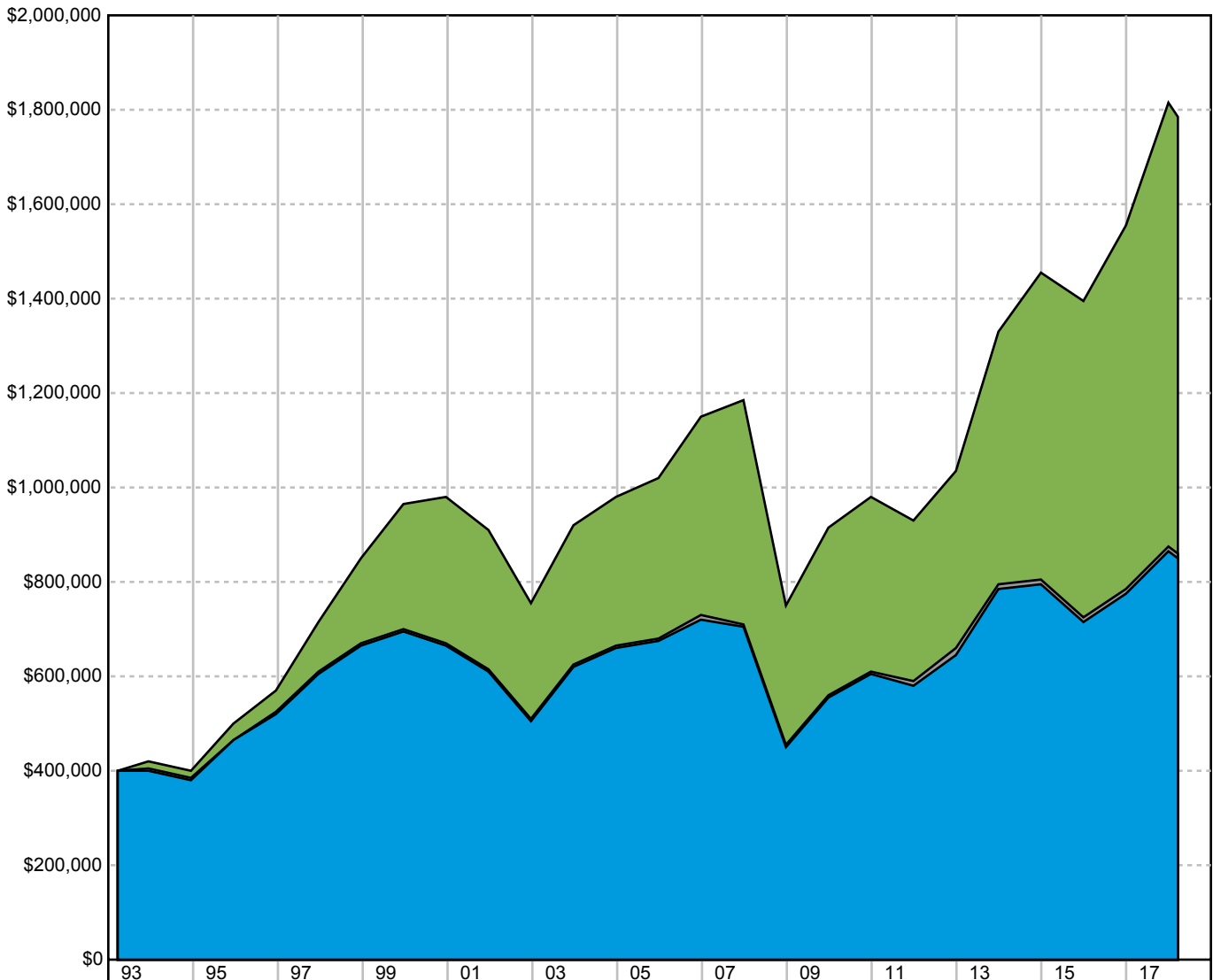
Date	Investment(s)	Withdrawal	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/1993	400,000	13,333	7,737	7,737	15,169	22,341	418,220
12/31/1994	0	20,400	10,481	18,217	12,977	22,549	398,443
12/31/1995	0	21,012	11,045	29,263	19,926	22,966	496,288
12/31/1996	0	21,642	11,283	40,546	23,057	23,456	568,344
12/31/1997	0	22,292	11,541	52,087	59,661	25,219	712,448
12/31/1998	0	22,960	12,800	64,887	73,616	27,351	849,781
12/31/1999	0	23,649	13,890	78,777	82,627	29,715	964,543
12/31/2000	0	24,359	15,447	94,224	61,651	31,446	976,699
12/31/2001	0	25,089	16,296	110,520	18,442	31,795	907,122
12/31/2002	0	25,842	16,400	126,920	14,470	32,026	751,976
12/31/2003	0	26,617	16,431	143,351	6,605	31,838	918,212
12/31/2004	0	27,416	16,361	159,712	11,119	31,822	978,513
12/31/2005	0	28,238	21,366	181,078	25,397	32,396	1,015,949
12/31/2006	0	29,086	23,725	204,803	65,900	34,207	1,146,277
12/31/2007	0	29,958	22,391	227,193	62,860	35,942	1,184,290
12/31/2008	0	30,857	24,210	251,403	0	35,750	749,315
12/31/2009	0	31,783	20,081	271,484	0	35,237	914,400
12/31/2010	0	32,736	19,428	290,912	0	34,703	977,250
12/31/2011	0	33,718	19,825	310,737	0	34,219	926,994
12/31/2012	0	34,730	24,220	334,957	14,063	34,314	1,034,904
12/31/2013	0	35,772	21,308	356,265	84,516	36,207	1,328,813
12/31/2014	0	36,845	25,935	382,200	119,078	39,116	1,450,436
12/31/2015	0	37,950	24,126	406,326	97,545	41,720	1,392,182
12/31/2016	0	39,089	28,255	434,581	53,453	42,863	1,552,926
12/31/2017	0	40,261	28,861	463,442	95,646	44,933	1,814,840
03/31/2018	0	10,164	6,703	470,145	0	44,849	1,781,400
<b>Total</b>	<b>400,000</b>	<b>725,797</b>	<b>470,145</b>	<b>470,145</b>	<b>1,017,779</b>	<b>44,849</b>	<b>1,781,400</b>

**Average annual return on the investment for the period 04/01/1993 - 03/31/2018 : 10.09%**

4/1/1993 - 3/31/2018

Total Ending Amount: \$1,781,400

**The Investment Company of America A (AIVSX)** : \$400,000 initial investment on 04/01/1993. Dividends and capital gains are reinvested. Withdrawals from 05/01/1993 to 03/31/2018 every month starting at 5.00% (annually) of Initial Investment and increasing by 3.00%, every twelve months, on the first day of the month as long as funds are available. The initial investment is not subject to sales charge. The effects of income and capital gains taxes are not demonstrated.



- From Capital Gains (Ending value: \$926,321)
- From Income (Ending value: \$6,442)
- From Principal (Ending value: \$848,637)

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