

# A Hypothetical Illustration for BUS-121 - Principles of Money Management

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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.**

Results shown may or may not show gross of advisory fees that may be charged by the client's investment adviser which would result in lower portfolio results than shown.

## 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. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. If a sales charge had been deducted, the results would have been lower. For more current information and month-end results, visit [capitalgroup.com](http://capitalgroup.com).

Investors should carefully consider investment objectives, risks, charges, and expenses. This and other important information is contained in the fund prospectuses, summary prospectuses, ABLEAmerica Program Description and CollegeAmerica Program Description, which can be obtained from a financial professional and should be read carefully before investing.

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. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category. Lipper averages reflect the current composition of all eligible mutual funds (all share classes) within a given category. There have been periods when the fund has lagged the index.

This illustration must be preceded or accompanied by a summary prospectus or prospectus for the fund(s) being offered. American Funds Distributors, Inc., member FINRA.

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. For American Funds Global Insight Fund and American Funds International Vantage Fund and American Funds 2065 Target Date Retirement Fund, the expense ratios are estimated.

Hypothetical portfolio results reflect a combination of the mutual funds shown, using the allocations and rebalancing frequency noted. The criteria and assumptions on which the hypothetical portfolio is based are believed to be relevant to the likely financial situation and investment objectives of the intended investor. The portfolio's risks are directly related to the risks of the individual funds as described below. There are no guarantees that investment objectives will be met.

### Standardized Average Annual Total Returns for Quarter Ended 3/31/2023

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	-8.59%	0.72%	1.17%	6.76%

#### 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%	0.59%

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.

- Cumulative Volume Discount Reflected Where Applicable in This Illustration.
- NOTE: Systematic Accumulation Plans cannot assure a profit or protect against loss in declining markets.

Class A shares are subject to an up-front maximum sales charge of 5.75% for equity, Target Date, Retirement Income and most Portfolio Series funds, 3.75% for most fixed income funds and American Funds Tax-Aware Conservative Growth and Income Portfolio, and 2.50% for American Funds Inflation Linked Bond Fund, 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. Data prior to 6/30/2020, returns reflect deduction of the maximum sales charge: 5.75% for equity

funds and most Portfolio Series funds and 3.75% for most fixed income funds maximum sales charges. The sales charge declines for accounts and aggregated investments is as follows: \$25,000 for equity, Target Date Retirement, Retirement Income Portfolio Series and most Portfolio Series funds; \$100,000 for most bond funds and American Funds Tax-Aware Conservative Growth and Income Portfolio; \$500,000 for American Funds Inflation Linked Bond Fund, American Funds Short-Term Tax-Exempt Bond Fund, Intermediate Bond Fund of America, Limited Term Tax-Exempt Bond Fund of America, Short-Term Bond Fund of America, American Funds Tax-Exempt Fund of New York, American High-Income Municipal Bond Fund, The Tax-Exempt Bond Fund of America, The Tax-Exempt Fund of California, American Funds Preservation Portfolio and American Funds Tax-Exempt Preservation Portfolio. 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 (0.75% CDSC on American Funds Inflation Linked Bond Fund, American Funds Short-Term Tax-Exempt Bond Fund, Intermediate Bond Fund of America, Limited Term Tax-Exempt Bond Fund of America, Short-Term Bond Fund of America, American Funds Tax-Exempt Fund of New York, American High-Income Municipal Bond Fund, The Tax-Exempt Bond Fund of America, The Tax-Exempt Fund of California, American Funds Preservation Portfolio, American Funds Tax-Exempt Preservation Portfolio). 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.

- 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.

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.

## Principal Risks

To understand the principal risks associated with these funds, please see the **Principal Risks** on the following pages.

The Bond Fund of America A (ABNDX)

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## Principal Risks

These are associated with the funds listed on the preceding page.

2. 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.
4. 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.
5. Higher yielding, higher risk bonds can fluctuate in price more than investment-grade bonds, so investors should maintain a long-term perspective.

**The Bond Fund of America A (ABNDX)**

<b>Date</b>	<b>Initial Investment</b>	<b>Initial Sales Charge</b>	<b>Net Amount Invested</b>	<b>Shares Purchased</b>
04/01/1998	\$500,000.00	None	\$500,000	35,612.536

\$500,000 initial investment on 04/01/1998. Dividends and capital gains are reinvested. Withdrawals from 05/01/1998 to 03/31/2023 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.

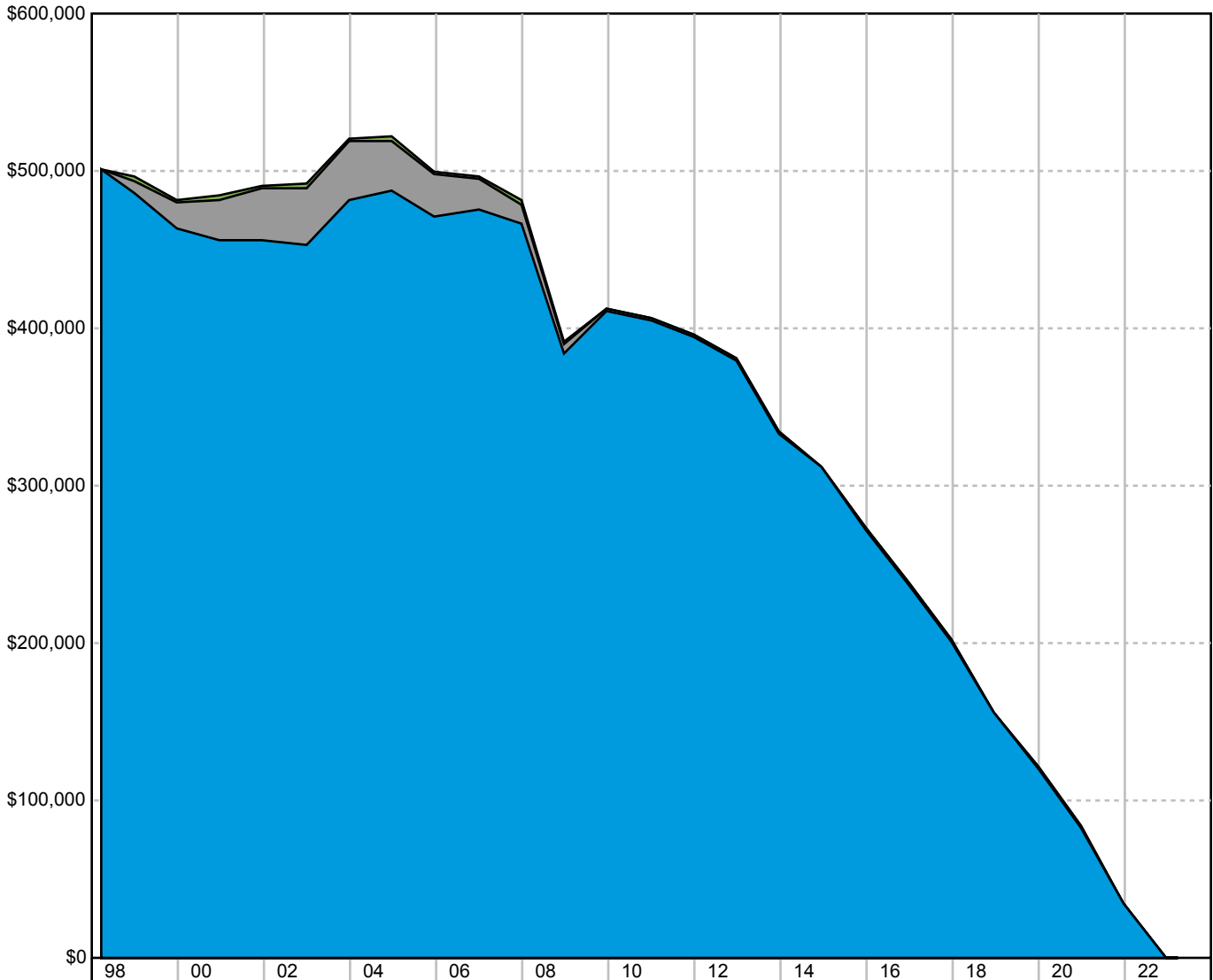
<b>Date</b>	<b>Investment(s)</b>	<b>Withdrawal</b>	<b>Dividend Income</b>	<b>Total Dividend Income</b>	<b>Capital Gains</b>	<b>Shares Held</b>	<b>Total Value</b>
12/31/1998	500,000	16,667	25,035	25,035	2,560	36,412	495,569
12/31/1999	0	25,500	34,013	59,049	0	37,058	481,007
12/31/2000	0	26,265	35,647	94,695	0	37,797	483,425
12/31/2001	0	27,053	33,898	128,594	0	38,326	490,191
12/31/2002	0	27,865	31,913	160,506	0	38,650	490,859
12/31/2003	0	28,700	27,121	187,627	0	38,521	520,422
12/31/2004	0	29,561	24,389	212,016	0	38,135	520,543
12/31/2005	0	30,448	25,498	237,513	0	37,775	499,380
12/31/2006	0	31,362	24,413	261,927	0	37,245	496,110
12/31/2007	0	32,303	25,730	287,656	0	36,757	480,048
12/31/2008	0	33,272	27,046	314,703	0	36,318	390,778
12/31/2009	0	34,270	18,538	333,241	0	34,908	411,920
12/31/2010	0	35,298	15,702	348,943	0	33,293	405,840
12/31/2011	0	36,357	13,532	362,475	0	31,446	394,646
12/31/2012	0	37,448	10,071	372,546	0	29,307	379,524
12/31/2013	0	38,571	8,216	380,762	0	26,914	333,736
12/31/2014	0	39,728	6,925	387,686	0	24,329	311,650
12/31/2015	0	40,920	5,724	393,411	0	21,583	271,734
12/31/2016	0	42,148	4,328	397,739	0	18,656	237,303
12/31/2017	0	43,412	4,019	401,758	0	15,597	201,050
12/31/2018	0	44,714	4,106	405,864	0	12,365	155,424
12/31/2019	0	46,056	3,211	409,075	1,603	9,194	120,349
12/31/2020	0	47,438	1,940	411,015	2,573	6,085	83,916
12/31/2021	0	48,861	777	411,792	235	2,549	34,128
12/31/2022	0	32,162	197	411,988	9	0	0
03/31/2023	0	0	0	411,988	0	0	0
<b>Total</b>	<b>500,000</b>	<b>876,377</b>	<b>411,988</b>	<b>411,988</b>	<b>6,979</b>	<b>0</b>	<b>0</b>

**Average annual return on the investment for the period 04/01/1998 - 03/31/2023 : 4.57%**

4/1/1998 - 3/31/2023

Total Ending Amount: \$0

**The Bond Fund of America A (ABNDX)** : \$500,000 initial investment on 04/01/1998. Dividends and capital gains are reinvested. Withdrawals from 05/01/1998 to 03/31/2023 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: \$0)
- From Income (Ending value: \$0)
- From Principal (Ending value: \$0)

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