

A Hypothetical Illustration for BUS-121, Financial Planning and Money Management

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. 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 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 8/1/20)
- American Funds Tax-Exempt Fund of New York: all share classes (through at least 10/1/20)
- American Funds Mortgage Fund: Class R-2E and R-5E shares (through at least 11/1/20)
- Short-Term Bond Fund of America: Class F-3 shares (through at least 11/1/20)
- American Funds Retirement Income Portfolio - Conservative: Class R-2E and R-5 shares (through at least 1/1/21)
- American Funds Retirement Income Portfolio - Moderate: Class R-5E, R-5 and R-6 (through at least 1/1/21)
- American Funds Retirement Income Portfolio - Enhanced: Class R-5 and R-6 shares (through at least 1/1/21)
- American Funds Preservation Portfolio: Class R-2E shares (through at least 1/1/21)
- American Funds Tax-Exempt Preservation Portfolio: all share classes (through at least 1/1/21)

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.

For the funds listed below, the fund's transfer agent is currently waiving a portion of the funds' other expenses, without which the results would have been lower and net expense ratios higher.

- American Funds Developing World Growth and Income Fund and American Funds Inflation Linked Bond Fund: Class F-3 shares (through at least 2/1/21)

The transfer agent may elect at its discretion to extend, modify or terminate the waiver at that time. Please see each fund's most recent prospectus for details.

Virginia529SM, as program administrator of ABLEAmerica, is currently waiving the fee owed to it as compensation for its oversight and administration of ABLEAmerica. This waiver will be in effect for Class ABLE-A shares through at least December 1, 2019 for American Funds U.S. Government Money Market Fund and January 1, 2020 for the Portfolio Fund Series. 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 9/30/2020

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	2.79%	8.20%	9.17%	10.37%

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%	0.59%

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 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 (\$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.

- 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.

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.

American Balanced Fund A (ABALX)

Date	Initial Investment	Initial Sales Charge	Net Amount Invested	Shares Purchased
10/01/1990	\$100.00	5.75%	\$94	9.398

\$100 initial investment on 10/01/1990. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 11/01/1990 to 09/30/2020 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.

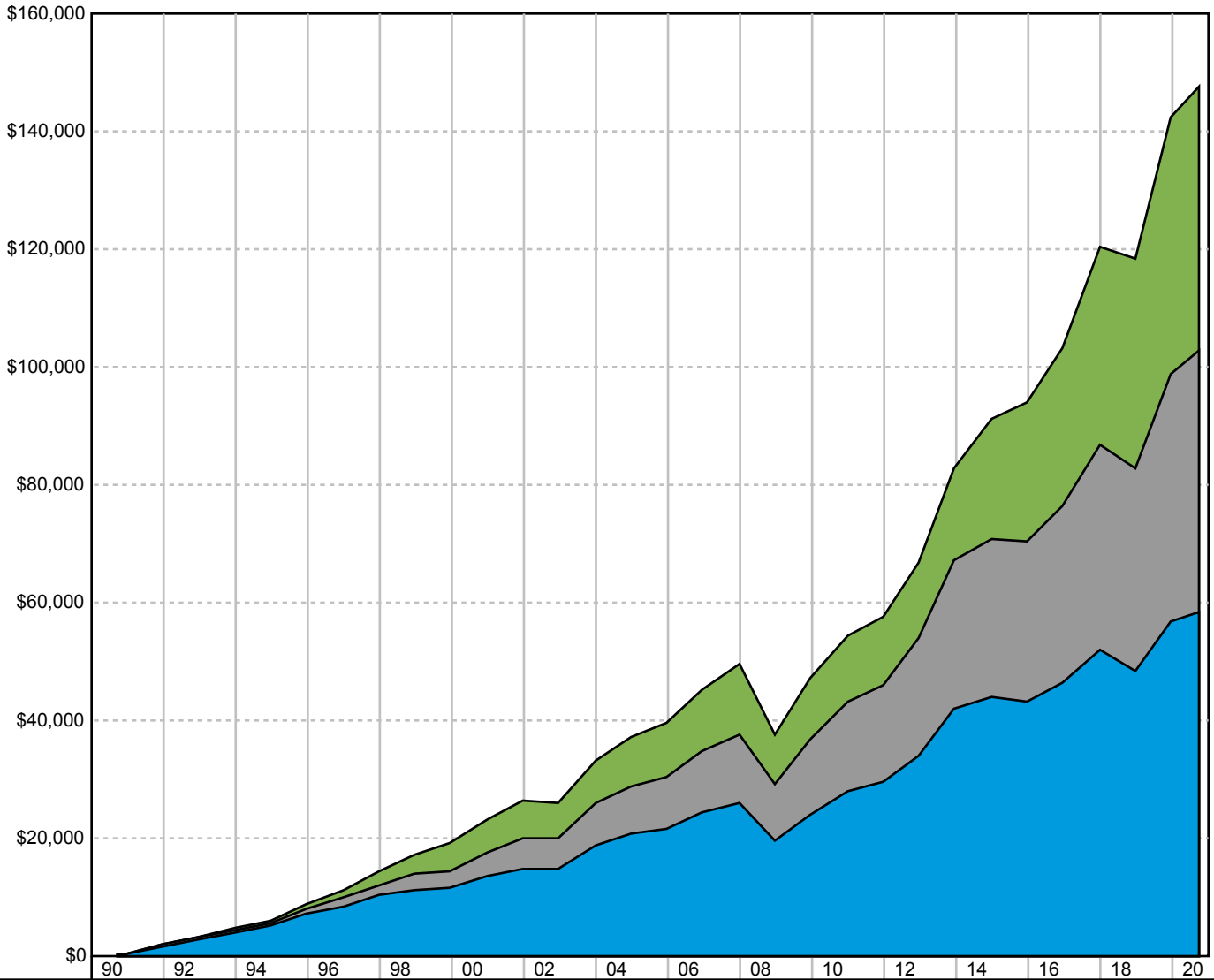
Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/1990	300	5	5	5	29	299
12/31/1991	1,200	55	60	16	136	1,635
12/31/1992	1,200	116	176	56	243	2,989
12/31/1993	1,200	179	355	157	359	4,512
12/31/1994	1,200	234	589	21	473	5,670
12/31/1995	1,200	297	886	270	600	8,492
12/31/1996	1,200	367	1,254	588	744	10,830
12/31/1997	1,200	449	1,703	1,086	915	14,350
12/31/1998	1,200	544	2,246	1,059	1,088	17,152
12/31/1999	1,200	646	2,892	1,545	1,309	18,875
12/31/2000	1,200	769	3,661	827	1,496	23,140
12/31/2001	1,200	873	4,535	486	1,654	26,214
12/31/2002	1,200	737	5,271	40	1,780	25,672
12/31/2003	1,200	681	5,952	0	1,899	32,840
12/31/2004	1,200	702	6,655	886	2,054	36,980
12/31/2005	1,200	843	7,498	723	2,206	39,303
12/31/2006	1,200	1,064	8,562	940	2,375	45,167
12/31/2007	1,200	1,265	9,827	1,091	2,554	49,310
12/31/2008	1,200	1,422	11,249	359	2,726	37,566
12/31/2009	1,200	1,150	12,398	0	2,888	46,815
12/31/2010	1,200	1,064	13,462	0	3,021	54,164
12/31/2011	1,200	1,234	14,696	0	3,152	57,391
12/31/2012	1,200	1,221	15,917	0	3,272	66,748
12/31/2013	1,200	1,264	17,181	0	3,379	82,525
12/31/2014	1,200	1,321	18,502	4,985	3,678	91,034
12/31/2015	1,200	1,496	19,998	3,529	3,935	93,761
12/31/2016	1,200	1,763	21,761	2,474	4,153	103,047
12/31/2017	1,200	2,047	23,808	4,173	4,429	120,242
12/31/2018	1,200	2,346	26,154	4,593	4,743	118,104
12/31/2019	1,200	2,626	28,780	2,883	4,984	142,045
09/30/2020	900	1,510	30,290	739	5,099	147,203
Total	36,000	30,290	30,290	33,533	5,099	147,203

Average annual return on the investment for the period 10/01/1990 - 09/30/2020 : 8.20%

10/1/1990 - 9/30/2020

Total Ending Amount: \$147,203

American Balanced Fund A (ABALX) : \$100 initial investment on 10/01/1990. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 11/01/1990 to 09/30/2020 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: \$44,679)
- From Income (Ending value: \$44,278)
- From Principal (Ending value: \$58,246)

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