

# A Hypothetical Illustration for BUS-123, Introduction to Investments, Fall 2021

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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. 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).**

Regular investing does not ensure a profit or protect against loss. Investors should consider their willingness to keep investing when share prices are declining. 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. 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 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 American Funds Global Insight Fund and American Funds International Vantage Fund, the expense ratios are estimated. For the funds and/or share classes listed below, the investment adviser has agreed to reimburse a portion of fund expenses through the date(s) listed below, without which results would have been lower and net expenses higher.

- American Funds Short-Term Tax-Exempt Bond Fund: all share classes (expiration: N/A)
- American Funds Tax-Exempt Fund of New York: all share classes (expiration: 10/1/2021)
- American Funds Corporate Bond Fund: all share classes (expiration: 10/30/2021)
- Short-Term Bond Fund of America: Class R-2E shares (expiration: 10/30/2021)
- American Funds Retirement Income Portfolio - Conservative: Class R-2E and R-5E shares (expiration: 1/1/2022)
- American Funds Retirement Income Portfolio - Enhanced: Class R-5 shares (expiration: 1/1/2022)
- American Funds Retirement Income Portfolio - Moderate: Class R-2E, R-5E and R-5 (expiration: 1/1/2022)
- American Funds Tax-Exempt Preservation Portfolio: all share classes (expiration: 1/1/2022)
- American Funds 2065 Target Date Retirement Fund: all share classes (expiration: 1/1/2022)
- American Funds Emerging Markets Bond Fund: all share classes (expiration: 3/1/2022)
- American Funds Strategic Bond Fund: all share classes (expiration: 3/1/2022)
- American Funds International Vantage Fund: Class F-3 shares (expiration: 1/1/2024, so that total expenses do not exceed 0.65%), all other share classes (expiration: 1/1/2022)

The investment advisor may elect at its discretion to extend, modify or terminate the reimbursements as of any noted expiration date. Please see each fund's most recent shareholder report for details.

For the funds listed below, the fund's transfer agent has agreed to waive a portion of fund expenses through the date(s) listed below, without which results would have been lower and net expenses higher.

- Short-Term Bond Fund of America: Class F-3 shares (expiration: 10/30/2021)
- American Funds 2065 Target Date Retirement Fund: Class F-3 shares (expiration: 1/1/2022)
- American Funds Developing World Growth and Income Fund: Class F-3 shares (expiration: 2/1/2022)
- American Funds Inflation Linked Bond Fund: Class F-3 shares (expiration: 2/1/2022)
- The New Economy Fund: Class F-3 shares (expiration: 2/1/2022)
- American Funds Emerging Markets Bond Fund: Class F-3 shares (expiration: 3/1/2022)
- American Funds Strategic Bond Fund: all share classes (expiration: 3/1/2022)
- Capital World Bond Fund: Class F-3 shares (expiration: 3/1/2022)

The transfer agent may elect at its discretion to extend, modify or terminate the waiver as of any noted expiration date.

For the funds listed below, Virginia529<sup>SM</sup>, as program administrator of ABLEAmerica, has agreed to waive the fee owed to it as compensation for its oversight and administration of ABLEAmerica through the date(s) listed below, without which results would have been lower and net expenses higher.

- American Funds U.S. Government Money Market Fund (expiration: 12/1/2021)
- American Funds Moderate Growth and Income Portfolio (expiration: 1/1/2022)
- American Funds Global Growth Portfolio (expiration: 1/1/2022)
- American Funds Growth and Income Portfolio (expiration: 1/1/2022)
- American Funds Growth Portfolio (expiration: 1/1/2022)
- American Funds Conservative Growth and Income Portfolio (expiration: 1/1/2022)
- American Funds Preservation Portfolio (expiration: 1/1/2022)

Subject to the terms of its contractual arrangement with the investment adviser, Virginia529<sup>SM</sup> may elect at its discretion to extend, modify or terminate the waiver as of any noted expiration date.

#### Standardized Average Annual Total Returns for Quarter Ended 6/30/2021

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	27.63%	12.92%	12.14%	12.13%

#### 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.

- 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.**

**The Investment Company of America A (AIVSX)**

Date	Initial Investment	Initial Sales Charge	Net Amount Invested	Shares Purchased
07/01/1991	\$100.00	5.75%	\$94	5.875

\$100 initial investment on 07/01/1991. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 08/01/1991 to 06/30/2021 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.

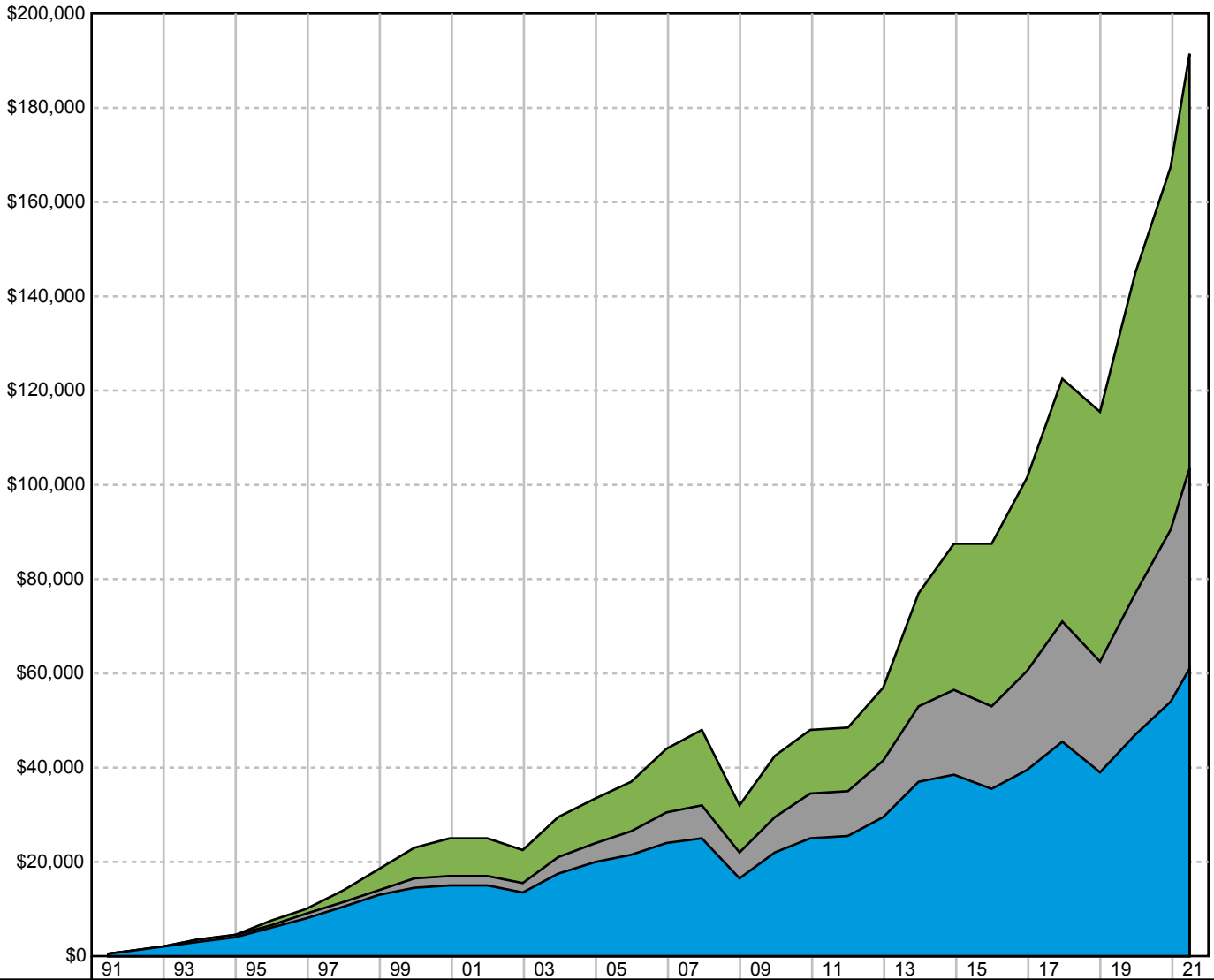
Date	Investment(s)	Dividend Income	Total Dividend Income	Capital Gains	Shares Held	Total Value
12/31/1991	600	6	6	9	35	613
12/31/1992	1,200	37	42	32	103	1,851
12/31/1993	1,200	68	110	123	175	3,270
12/31/1994	1,200	104	214	144	249	4,407
12/31/1995	1,200	144	358	283	327	7,060
12/31/1996	1,200	180	539	393	399	9,680
12/31/1997	1,200	215	753	1,160	490	13,849
12/31/1998	1,200	266	1,020	1,573	589	18,311
12/31/1999	1,200	316	1,336	1,923	696	22,583
12/31/2000	1,200	379	1,715	1,537	792	24,604
12/31/2001	1,200	429	2,144	489	862	24,593
12/31/2002	1,200	466	2,610	418	940	22,080
12/31/2003	1,200	508	3,118	210	1,014	29,239
12/31/2004	1,200	543	3,662	379	1,084	33,327
12/31/2005	1,200	761	4,423	920	1,174	36,818
12/31/2006	1,200	893	5,316	2,525	1,311	43,926
12/31/2007	1,200	885	6,201	2,531	1,447	47,683
12/31/2008	1,200	1,009	7,210	0	1,526	31,992
12/31/2009	1,200	899	8,109	0	1,621	42,072
12/31/2010	1,200	932	9,040	0	1,701	47,908
12/31/2011	1,200	1,010	10,050	0	1,779	48,188
12/31/2012	1,200	1,312	11,363	773	1,887	56,916
12/31/2013	1,200	1,212	12,574	4,879	2,090	76,708
12/31/2014	1,200	1,541	14,116	7,159	2,352	87,197
12/31/2015	1,200	1,488	15,603	6,082	2,609	87,072
12/31/2016	1,200	1,816	17,419	3,477	2,788	101,020
12/31/2017	1,200	1,922	19,341	6,442	3,026	122,229
12/31/2018	1,200	2,271	21,613	9,989	3,401	115,328
12/31/2019	1,200	2,632	24,245	6,312	3,663	144,927
12/31/2020	1,200	2,302	26,547	421	3,766	167,300
06/30/2021	600	1,172	27,719	1,566	3,834	191,491
<b>Total</b>	<b>36,000</b>	<b>27,719</b>	<b>27,719</b>	<b>61,751</b>	<b>3,834</b>	<b>191,491</b>

**Average annual return on the investment for the period 07/01/1991 - 06/30/2021 : 9.58%**

7/1/1991 - 6/30/2021

Total Ending Amount: \$191,491

**The Investment Company of America A (AIVSX)** : \$100 initial investment on 07/01/1991. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 08/01/1991 to 06/30/2021 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: \$88,432)
- From Income (Ending value: \$42,064)
- From Principal (Ending value: \$60,996)

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