

# 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
07/01/1981	\$100.00	5.75%	\$94	10.256

\$100 initial investment on 07/01/1981. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 08/01/1981 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
12/31/1981	600	9	9	0	65	562
12/31/1982	1,200	67	76	42	215	2,189
12/31/1983	1,200	125	201	101	341	3,841
12/31/1984	1,200	188	389	178	484	5,324
12/31/1985	1,200	253	642	241	625	8,443
12/31/1986	1,200	336	978	1,710	870	11,480
12/31/1987	1,200	484	1,462	717	1,042	13,142
12/31/1988	1,200	627	2,088	875	1,244	16,092
12/31/1989	1,200	780	2,868	1,146	1,449	22,089
12/31/1990	1,200	900	3,769	342	1,612	23,403
12/31/1991	1,200	740	4,508	644	1,767	30,888
12/31/1992	1,200	859	5,367	597	1,915	34,251
12/31/1993	1,200	929	6,296	1,508	2,107	39,443
12/31/1994	1,200	1,041	7,337	1,324	2,300	40,646
12/31/1995	1,200	1,180	8,516	2,185	2,518	54,410
12/31/1996	1,200	1,285	9,801	2,686	2,732	66,208
12/31/1997	1,200	1,389	11,191	7,306	3,088	87,244
12/31/1998	1,200	1,611	12,802	9,372	3,494	108,558
12/31/1999	1,200	1,817	14,619	10,919	3,937	127,801
12/31/2000	1,200	2,092	16,711	8,411	4,311	133,887
12/31/2001	1,200	2,282	18,993	2,591	4,518	128,886
12/31/2002	1,200	2,387	21,379	2,124	4,740	111,303
12/31/2003	1,200	2,501	23,880	1,021	4,922	141,957
12/31/2004	1,200	2,590	26,470	1,785	5,109	157,091
12/31/2005	1,200	3,519	29,989	4,227	5,392	169,103
12/31/2006	1,200	4,041	34,030	11,344	5,888	197,316
12/31/2007	1,200	3,928	37,958	11,157	6,380	210,207
12/31/2008	1,200	4,392	42,350	0	6,588	138,077
12/31/2009	1,200	3,817	46,167	0	6,821	177,010
12/31/2010	1,200	3,868	50,035	0	7,014	197,517
12/31/2011	1,200	4,115	54,150	0	7,205	195,186
12/31/2012	1,200	5,252	59,403	3,083	7,522	226,859

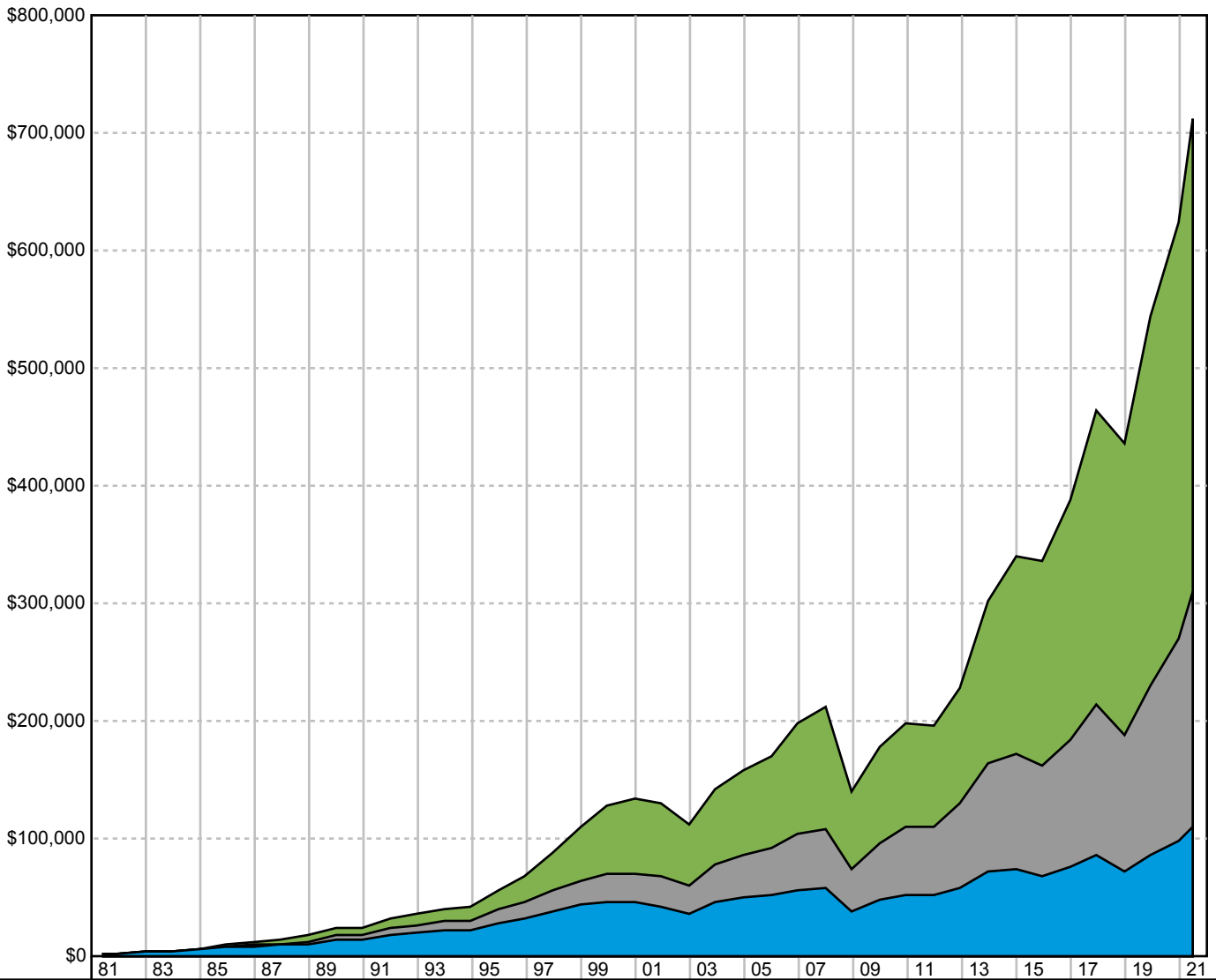
<b>Date</b>	<b>Investment(s)</b>	<b>Dividend Income</b>	<b>Total Dividend Income</b>	<b>Capital Gains</b>	<b>Shares Held</b>	<b>Total Value</b>
12/31/2013	1,200	4,787	64,189	19,194	8,223	301,780
12/31/2014	1,200	6,018	70,207	27,873	9,156	339,507
12/31/2015	1,200	5,757	75,964	23,471	10,062	335,775
12/31/2016	1,200	6,958	82,922	13,288	10,655	386,040
12/31/2017	1,200	7,306	90,229	24,427	11,475	463,491
12/31/2018	1,200	8,572	98,801	37,646	12,810	434,379
12/31/2019	1,200	9,869	108,670	23,624	13,705	542,292
12/31/2020	1,200	8,582	117,251	1,571	14,009	622,275
06/30/2021	600	4,353	121,604	5,810	14,228	710,568
<b>Total</b>	<b>48,000</b>	<b>121,604</b>	<b>121,604</b>	<b>264,540</b>	<b>14,228</b>	<b>710,568</b>

**Average annual return on the investment for the period 07/01/1981 - 06/30/2021 : 10.86%**

7/1/1981 - 6/30/2021

Total Ending Amount: \$710,568

**The Investment Company of America A (AIVSX)** : \$100 initial investment on 07/01/1981. Dividends and capital gains are reinvested. Subsequent investments of \$100.00 from 08/01/1981 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: \$402,133)
- From Income (Ending value: \$199,389)
- From Principal (Ending value: \$109,046)

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