

CollegeAmerica®
529 College Savings Plan



CAPITAL GROUP® | AMERICAN FUNDS

Capital Group has focused on providing superior long-term results for American Funds® since 1931.

Invest in their future.



CollegeAmerica is a nationwide plan sponsored by **Virginia529™**



CollegeAmerica can help you

College graduates earn 67% more than high school graduates while experiencing lower unemployment.¹ Yet in 2016, a year of public university cost more than \$20,000.²

CollegeAmerica is a tax-advantaged way to save for education expenses, such as tuition, room and board, and required equipment, books and supplies for higher education, as well as K-12 tuition (up to \$10,000 per year per student to pay for tuition). CollegeAmerica is helping more than 1 million families from all 50 states, including the District of Columbia – for the benefit of over 2.3 million future students – pursue the crucial goal of education. Its unique combination of benefits includes:

Among Morningstar's highly rated advisor-sold 529 college savings plans since 2004, the year they began issuing ratings.³

Tax advantages

- You won't pay federal taxes or, in many cases, state taxes on withdrawals if they are used for qualified expenses.
- Many states allow a deduction from or credit against state taxes for all or part of your contributions.

Flexibility

- You can open an account for anyone, no matter how much you earn.
- CollegeAmerica account assets can be used to pay for qualified expenses at eligible K-12 schools (up to \$10,000 per year per student to pay for tuition), undergraduate and graduate schools, community colleges or trade schools.
- You can continue investing until an account's value reaches \$500,000 – for each beneficiary.
- You can open an account for as little as \$250 (the minimum investment per fund), with subsequent contributions as low as \$50.⁴

Low expenses and solid track record

- CollegeAmerica's expenses are among the lowest in the 529 plan industry according to a 2016 Morningstar study of 529 college savings plans.⁵
- You're investing in American Funds from Capital Group. Our equity funds have beaten their Lipper peer indexes in 89% of 10-year periods and 96% of 20-year periods. Our fixed income funds have beaten their Lipper indexes in 59% of 10-year periods and 63% of 20-year periods.⁶

Control

- A CollegeAmerica account stays in your name, and you control the timing and amount of withdrawals.
- Change the account beneficiary to another member of the same family as often as you like without worrying about income taxes or penalties.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

¹ Bureau of Labor Statistics (2016)

² The College Board (2016). Total includes tuition, fees, room and board.

³ Based on annual Morningstar reports. Among the criteria Morningstar assessed were fees, flexibility of investment options and a solid manager selection process.

⁴ The money market fund has a \$1,000 minimum initial investment. All available funds have a \$25 minimum if you participate in a CollegeAmerica employer-sponsored program.

⁵ Morningstar 529 College-Savings Plan Landscape (2016)

⁶ Based on Class A share results for rolling periods through December 31, 2017. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper average was used). Please see americanfunds.com for more information on specific expense adjustments and the actual dates of first sale.

If withdrawals are used for purposes other than higher education, the earnings will be subject to a 10% federal tax penalty in addition to federal and, if applicable, state income tax.

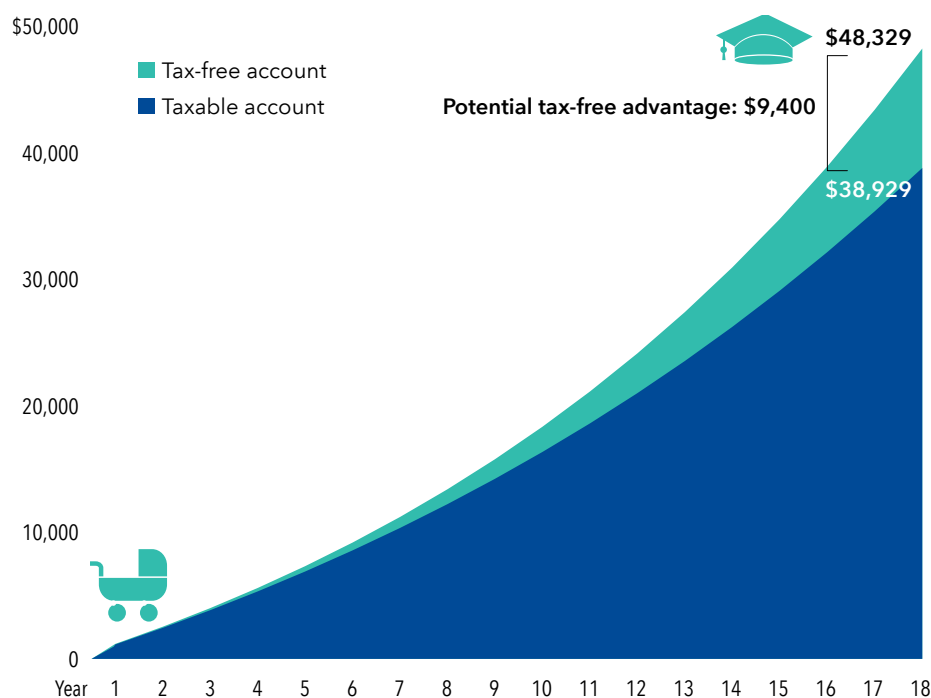
Substantial tax benefits

Earnings in a CollegeAmerica account, unlike those in a taxable account, are free from federal and, in many cases, state taxes provided they're used to pay a broad range of educational expenses.

The hypothetical example below illustrates how significant the tax benefits can be.



The tax-free advantage: \$100 per month for 18 years



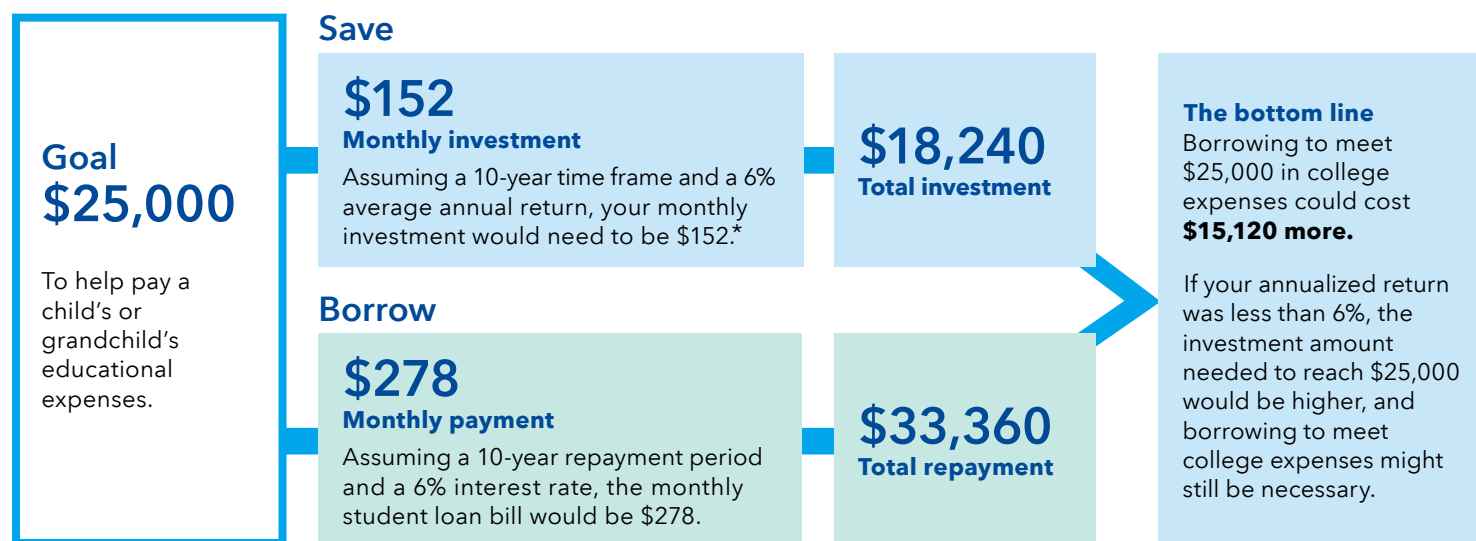
As you can see, over 18 years, a \$100 per month investment in a tax-free account would have grown to more than \$48,000 (assuming no withdrawals were taken). But the same hypothetical investment in a taxable account would have incurred \$9,400 in taxes.

Assumes an 8% average annual rate of return (compounded monthly) for both investments and a 25% income tax rate. (The typical mutual fund investor falls into the 25% tax bracket.) Example assumes taxes were paid annually out of account. Your tax rate may vary. Current minimum tax rates on capital gains and dividends could make taxable investment returns higher, thus reducing the difference between the two ending values. Results shown are hypothetical and are not intended to represent an investment in a specific fund. Your investment experience will differ. Regular investing does not ensure a profit or protect against loss. You should consider your willingness to keep investing when share prices are declining.

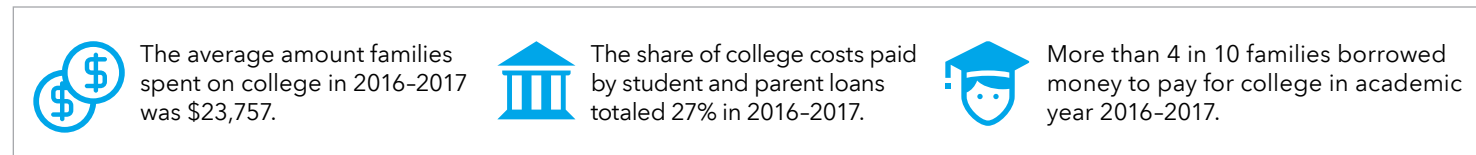
Savings through saving

Investments versus loans: Comparing two ways to pay for college could save you money.

By investing to help pay for a loved one's college education, you can reduce a future financial burden of student-loan debt. But paying for college with assets you invest over time (rather than with loans) also has the potential to save you money in the long run. Here's why:



Sallie Mae: Student loans still loom large[†]



* Figures are rounded. For illustrative purposes only. Not intended to portray an actual investment.

[†] Sallie Mae, *How America Pays for College* (2017)

Everyone can contribute

CollegeAmerica allows family members, friends and even the beneficiary to contribute to the account.

Common ways to contribute

Parents often elect to build assets in the account with monthly or quarterly contributions.

Grandparents may opt to help grandchildren with larger gifts, which may also have estate planning benefits (see below).

Beneficiaries can add money they've earned through jobs or received as gifts.

Extended family and friends can contribute to the CollegeAmerica accounts of someone they care about.



Make education part of your legacy

Individuals can contribute up to \$14,000 a year (\$28,000 for married couples) toward a loved one's college education without gift-tax consequences. Or, under a special election, you can combine up to five years into one contribution of up to \$70,000 (\$140,000 for married couples) without gift-tax consequences.



There is a separate contribution limit for each beneficiary. If you use the special election to give the maximum five-year amount, for example, and then give other gifts to the same individual during the next four calendar years, you may face gift-tax consequences. If the contributor dies within five years of making the election, the portion of that contribution allocable to the remaining years is included in the contributor's estate for estate-tax purposes. Tax issues can be complicated, so talk to your tax advisor.

Three different investment approaches

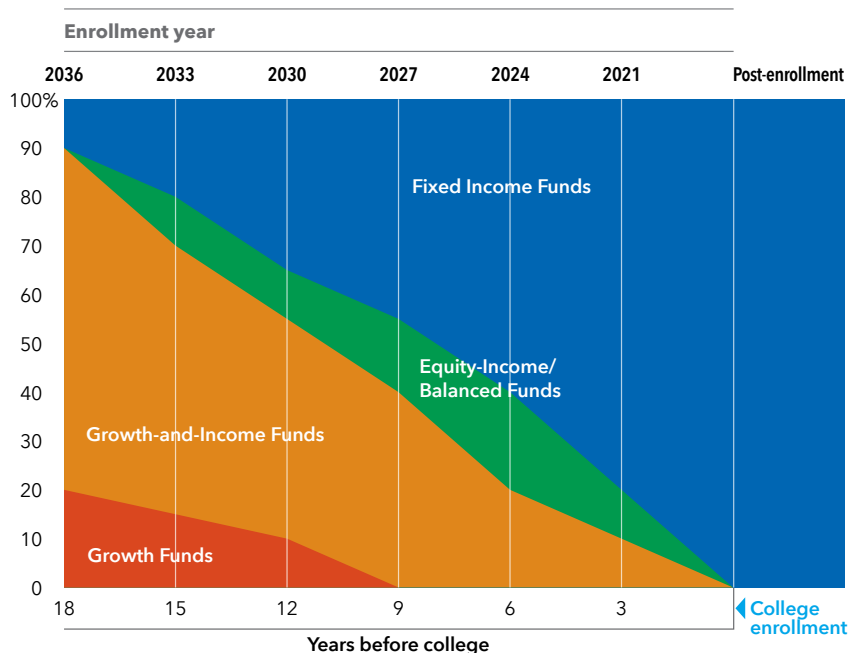
American Funds College Target Date Series®

Our College Target Date Series funds are designed to pursue the specific needs of educational savings investors. You select the target date fund closest to the year in which the beneficiary will likely enroll and withdrawals will begin. The portfolio will automatically grow more preservation-oriented as college approaches, but investors and their advisors should periodically evaluate their investment to determine whether it remains a good fit.

American Funds College Target Date Series allocations

As of March 31, 2018	Growth	Growth-and-Income	Equity-Income/Balanced	Bond
American Funds College 2036 Fund SM	20.0%	70.0%	0.0%	10.0%
American Funds College 2033 Fund [®]	14.4%	54.0%	10.0%	21.6%
American Funds College 2030 Fund [®]	10.0%	43.9%	10.0%	36.1%
American Funds College 2027 Fund [®]	0.0%	38.8%	15.1%	46.1%
American Funds College 2024 Fund [®]	0.0%	19.6%	18.9%	61.5%
American Funds College 2021 Fund [®]	0.0%	9.1%	9.1%	81.8%
American Funds College Enrollment Fund [®]	0.0%	0.0%	0.0%	100.0%

American Funds College Target Date Series glide path



The target allocations shown are as of January 1, 2018, and are subject to the Portfolio Oversight Committee's discretion. The portfolio follows a predetermined glide path subject to the Portfolio Oversight Committee's discretion. The funds' investment adviser anticipates that the funds will invest their assets within a range that deviates no more than 10% above or below these allocations. The funds' allocation strategy does not guarantee that investors' education savings goals will be met. Investors and their advisors should periodically evaluate their investment to determine whether it continues to meet their needs. Underlying funds may be added or removed during the year. For quarterly updates of fund allocations, visit americanfunds.com.



American Funds Portfolio SeriesSM

These “funds of funds” were designed to pursue a common investor objective such as preservation, income or growth.

Individual mutual funds

The American Funds available in CollegeAmerica can be combined for those seeking a customized and diversified portfolio.

For more information about CollegeAmerica investment options, visit www.americanfunds.com/collegeamerica

The advantages of CollegeAmerica

	CollegeAmerica account	Coverdell education savings account	UGMA/UTMA account	Roth IRA	Taxable investment account
People of all income levels can contribute	🎓		🎓		🎓
Withdrawals for qualified expenses are free from federal taxes	🎓	🎓		🎓	
State tax deductions/credits for residents of some states	🎓				
Account owner always controls the account	🎓			🎓	🎓
Beneficiary changes permitted	🎓	🎓		🎓	n/a

The Capital Advantage[®]

Since 1931, American Funds, part of Capital Group, has helped investors pursue long-term investment success. Our consistent approach – in combination with The Capital SystemSM – has resulted in a superior long-term track record.

Aligned with investor success

We base our decisions on a long-term perspective, which we believe aligns our goals with the interests of our clients. Our portfolio managers average 27 years of investment experience, including 22 years at our company, reflecting a career commitment to our long-term approach.¹

The Capital System

The Capital System combines individual accountability with teamwork. Funds using The Capital System are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. An extensive global research effort is the backbone of our system.

American Funds' superior long-term track record

Equity funds have beaten their Lipper peer indexes in 89% of 10-year periods and 96% of 20-year periods. Fixed income funds have beaten their Lipper indexes in 59% of 10-year periods and 63% of 20-year periods.² Fund management fees have been among the lowest in the industry.³

¹ Portfolio manager experience as of December 31, 2017.

² Based on Class A share results for rolling periods through December 31, 2017. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper average was used). Expenses differ for each share class, so results will vary. Please see americanfunds.com for more information on specific expense adjustments and the actual dates of first sale.

³ On average, our management fees were in the lowest quintile 71% of the time, based on the 20-year period ended December 31, 2017, versus comparable Lipper categories, excluding funds of funds.

Outside of CollegeAmerica, we offer more than 40 American Funds, the American Funds Target Date Retirement Series[®] (available for IRAs and tax-deferred retirement plans), as well as Coverdell Education Savings Accounts, the American Funds Insurance Series[®] variable annuity funds and a full line of retirement plan solutions. For details, please contact your financial professional or visit americanfunds.com.

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses, summary prospectuses and CollegeAmerica Program Description, which can be obtained from a financial professional and should be read carefully before investing. CollegeAmerica is distributed by American Funds Distributors, Inc. and sold through unaffiliated intermediaries.

Depending on your state of residence, there may be an in-state plan that provides state tax and other state benefits, such as financial aid, scholarship funds and protection from creditors, not available through CollegeAmerica. Talk to your tax advisor.

Investing outside the United States involves risks such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the prospectuses. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks.

Bond prices and a bond fund's share price will generally move in the opposite direction of interest rates. The return of principal for bond funds and 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. Investments in mortgage-related securities involve additional risks, such as prepayment risk, as more fully described in the prospectus. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. Shares of U.S. Government Securities Fund are not guaranteed by the U.S. government.

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