



AMERICAN  
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From Capital Group

# Pacific Northwest University of Health Sciences Retirement Plan

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**Participant Fee Disclosure**

November, 2016

# Plan-Related Information

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## Your employer offers the Pacific Northwest University of Health Sciences Retirement Plan to help you prepare for retirement.

This document is designed to help you understand certain plan provisions, investment information and the costs associated with your plan. If you come across a term that isn't familiar to you, please take a moment to review the glossary available at [americanfunds.com/retire](http://americanfunds.com/retire).

## General Plan Information

### Your Investment Options

You can choose a target date fund using one of the American Funds Target Date Funds, or you can build your own portfolio by choosing from among the other investment options in the plan.

### Investment Instructions

To begin participating in your employer's retirement plan, you must first meet the plan's eligibility requirements and enroll. Once enrolled, you can provide investment instructions (i.e., make investment exchanges or change future contribution elections) in any of the following ways:

- **By Phone:** Call (877) 833-9322.
- **On the Internet:** Go to [americanfunds.com/retire](http://americanfunds.com/retire).

**Please note:** Trading activity is monitored to ensure that trading guidelines, which are described in the prospectuses, are observed.

If you exchange or reallocate \$5,000 or more from one investment you must wait 30 days before you can exchange back into that same investment. Non-American Funds may have their own trading restrictions. Please see the prospectuses for details.

### Voting and Other Rights

The trustee or another plan fiduciary may vote or exercise any other rights associated with ownership of the investments held in your account.

### Designated Investment Alternatives

The "Investment-Related Information" table(s) identify and provide information about the plan's investment options.

## Administrative Expenses

### Plan-Level Expenses/Credits

The day-to-day operation of a retirement plan involves expenses for ongoing administrative services – such as plan recordkeeping, compliance and plan document services, investment services and trustee/custodial services – that are necessary for administering the plan as a whole. A retirement plan also offers a host of other services, such as a telephone voice response system, access to customer service representatives, retirement planning tools, electronic access to plan information, account statements and online transactions.

A portion of these services are paid from the plan's investments. This is reflected in each investment's expense ratio and reduces the investment returns. If an additional amount is required to cover your plan's administrative expenses, your employer expects that it will be paid from the plan's forfeiture assets or from the general assets of your employer.

The plan may also incur unexpected expenses that may be deducted from participant accounts.

### Individual Expenses

In addition to overall plan administrative expenses, there are individual service fees associated with optional features offered under your plan. Individual service fees will be charged separately if you choose to take advantage of a particular plan feature. These fees are described below.

### Periodic Distribution Fees

If your plan allows periodic distributions, a setup and ongoing fee will be charged to your account for selecting this option. Periodic distributions include a setup fee of \$25, which is deducted from the initial distribution. An annual maintenance fee of \$25 is then deducted from the first distribution of each calendar year that follows.

### One-time Distribution/Transaction Fees

You will be charged a fee for a one-time distribution or certain other requested account transactions. The amount of the fee may vary based on the type of distribution or transaction, if applicable.

One-time distribution fee: \$25.00 per request

Rollover investments from your retirement plan into an American Funds IRA, with Capital Bank and Trust as custodian, will automatically be invested in Class A shares at no sales charge regardless of the share class available in your retirement plan. Any future contributions to the IRA will be assessed the

# Plan-Related Information

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appropriate sales charge based on the applicable break points. See the specific fund's prospectus for additional information.

## Have Questions?

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### Your Plan Contact

Pacific Nw Health Sciences

(509) 452-3627

ahittle@pnwu.edu

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# The investment options in your plan

## Investment-Related Information

One way to assess an investment's results is to compare its results with those of a comparable benchmark or index. The benchmarks and their returns are shown in the table. Check your investment's annual and semi-annual reports to shareholders for more information.

You should carefully consider fees and expenses when making investment decisions. The cumulative effect of fees and expenses can substantially reduce the growth of your retirement account over time. For an example of the long-term effect of fees and expenses, visit the Employee Benefits Security Administration (EBSA) website at [www.dol.gov/ebsa/publications/401k\\_employee.html](http://www.dol.gov/ebsa/publications/401k_employee.html). However, fees and expenses are only one of many factors to consider when you evaluate your plan investment options.

Generally, there are two types of fees and expenses associated with saving and investing through a retirement plan: (1) recordkeeping and administrative fees and (2) investment expenses. The expenses related to each investment in your plan are known as the expense ratios. Expense ratios tend to vary with the investment category; for example, a money market investment will generally have a lower expense ratio than a global equity investment, which has higher costs.

The gross expense ratio reflects the investment's total annual operating expenses. It does not include any fee waivers or expense reimbursements. The net expense ratio reflects any applicable fee waivers or expense reimbursements. This is the actual expense ratio that you paid. Expense ratios are as of each investment's prospectus available at the time of publication.

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

**Figures shown are past results and are not predictive of future results. Current and future results may be lower or higher than those shown here. Share prices and returns will vary, so you may lose money. Investing for short periods makes losses more likely.**

Prospectuses, SAs and annual reports, if applicable, are available free of charge by calling (877) 833-9322 or on the Web at [americanfunds.com/retire](http://americanfunds.com/retire).

Portfolio turnover information is included in your investments' summary prospectuses.

For additional details, go to [americanfunds.com/retire](http://americanfunds.com/retire) and click on the link under "Monthly Investment Results." If you have an established log-in, you can also access investment information by logging in and clicking on the "Investment Options" tab.

To understand the risks associated with the investments you're considering, read the numbered notes on the "Investment-Related Disclosure" page(s). There you'll also find share class and other important disclosure information.

The investment options in your plan

# Investment-Related Information

## Investment Options for Class R-3 as of 09/30/16

Investment Name Benchmark Investment Manager	Asset Class	Inception Date	Average Annual Total Returns (%)				Expense Ratios (%)		Gross Expenses per \$1,000
			Lifetime	10 Years	5 Years	1 Year	Gross	Net	
<b>Growth Investments</b>									
<b>American Funds EuroPacific Growth</b>	<b>Growth</b>	04/16/84	10.30	3.62	8.41	7.80	1.14	1.14	\$11.40
MSCI All Country World Index (ACWI) ex USA			8.61	2.16	6.04	9.26			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 1,2,3,4,5,6,7,8,9									
<b>American Funds Growth Fund of America</b>	<b>Growth</b>	12/01/73	13.05	7.12	16.21	14.64	0.98	0.98	\$9.80
Standard & Poor's 500 Composite Index			10.83	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,3,4,5,6,7,8,9									
<b>American Funds New Economy Fund</b>	<b>Growth</b>	12/01/83	10.58	7.75	15.92	9.08	1.12	1.12	\$11.20
Standard & Poor's 500 Composite Index			10.80	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 1,2,3,4,5,6,7,8,9,10									
<b>American Funds New Perspective Fund</b>	<b>Growth</b>	03/13/73	11.68	6.45	12.57	10.52	1.10	1.10	\$11.00
MSCI All Country World Index (ACWI)			8.49	4.34	10.63	11.96			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,3,4,5,6,7,8,9									
<b>American Funds New World Fund</b>	<b>Growth</b>	06/17/99	7.19	4.58	5.97	12.98	1.34	1.34	\$13.40
MSCI All Country World Index (ACWI)			3.94	4.34	10.63	11.96			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 1,2,3,4,5,6,7,8,9,10,11,12,13									
<b>American Funds SMALLCAP World Fund</b>	<b>Growth</b>	04/30/90	9.12	6.50	13.21	11.41	1.38	1.38	\$13.80
MSCI All Country World Small Cap Index			7.99	6.59	12.47	14.21			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 1,2,3,4,5,6,7,8,9,10									
<b>Growth-and-Income Investments</b>									
<b>American Funds American Mutual Fund</b>	<b>Growth-and-income</b>	02/21/50	11.10	6.70	13.68	16.28	0.96	0.96	\$9.60
Standard & Poor's 500 Composite Index			11.19	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 3,4,5,6,7,8,9,13,14									
<b>American Funds Cap World Growth &amp; Income</b>	<b>Growth-and-income</b>	03/26/93	9.98	5.00	11.19	10.66	1.09	1.09	\$10.90
MSCI All Country World Index (ACWI)			7.00	4.34	10.63	11.96			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 1,2,3,4,5,6,7,8,9,14									

The investment options in your plan

# Investment-Related Information

## Investment Options for Class R-3 as of 09/30/16

Investment Name Benchmark Investment Manager	Asset Class	Inception Date	Average Annual Total Returns (%)				Expense Ratios (%)		Gross Expenses per \$1,000
			Lifetime	10 Years	5 Years	1 Year	Gross	Net	
<b>Growth-and-Income Investments</b>									
<b>American Funds Fundamental Investors</b>	<b>Growth-and-income</b>	08/01/78	11.90	7.12	15.49	16.57	0.96	0.96	\$9.60
Standard & Poor's 500 Composite Index			11.48	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,3,4,5,6,7,8,9,14									
<b>American Funds Intl Growth and Income</b>	<b>Growth-and-income</b>	10/01/08	6.03	N/A	6.33	5.31	1.24	1.24	\$12.40
MSCI All Country World Index (ACWI) ex USA			3.85	2.16	6.04	9.26			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 1,2,3,4,5,6,7,8,9,14									
<b>American Funds Investment Co of America</b>	<b>Growth-and-income</b>	01/01/34	11.63	6.23	15.32	17.27	0.95	0.95	\$9.50
Standard & Poor's 500 Composite Index			10.78	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,3,4,5,6,7,8,9,14									
<b>American Funds Washington Mut Inv Fund</b>	<b>Growth-and-income</b>	07/31/52	11.33	6.20	14.18	14.77	0.95	0.95	\$9.50
Standard & Poor's 500 Composite Index			10.67	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 3,4,5,6,7,8,9,14									
<b>Equity-Income Investments</b>									
<b>American Funds Capital Income Builder</b>	<b>Equity-income</b>	07/30/87	8.86	4.58	8.53	10.66	0.96	0.96	\$9.60
MSCI All Country World Index (ACWI)			6.66	4.34	10.63	11.96			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,3,4,5,7,8,9,13,14									
<b>American Funds Income Fund of America</b>	<b>Equity-income</b>	12/01/73	10.59	5.55	10.37	13.51	0.92	0.92	\$9.20
Standard & Poor's 500 Composite Index			10.83	7.24	16.37	15.43			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,3,4,5,7,8,9,11,13,14									
<b>Bond Investments</b>									
<b>American Funds Amer High Income Trust</b>	<b>Bond</b>	02/19/88	7.49	5.27	5.92	9.78	1.04	1.04	\$10.40
Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index			8.43	7.80	8.34	12.74			
American Funds. Shareholder Type Fees - None. Investment footnote(s): 2,4,5,7,8,9,11,12,13,15									

# The investment options in your plan

## Investment-Related Information

### Investment Options for Class R-3 as of 09/30/16

Investment Name Benchmark Investment Manager	Asset Class	Inception Date	Average Annual Total Returns (%)				Expense Ratios (%)		Gross Expenses per \$1,000
			Lifetime	10 Years	5 Years	1 Year	Gross	Net	
<b>Bond Investments</b>									
<b>American Funds Bond Fund of America</b>	<b>Bond</b>	05/28/74	7.38	3.13	2.94	4.57	0.91	0.91	\$9.10
Bloomberg Barclays U.S. Aggregate Index			7.75	4.79	3.08	5.19			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 2,4,5,7,8,9,12,13,15,16,17,18,19									
<b>American Funds Capital World Bond Fund</b>	<b>Bond</b>	08/04/87	6.03	3.85	1.99	7.78	1.24	1.24	\$12.40
Bloomberg Barclays Global Aggregate Index			6.34	4.26	1.74	8.83			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,4,5,7,8,9,11,12,13,15,20,21									
<b>American Funds Short-Term Bond Fund</b>	<b>Bond</b>	10/02/06	1.23	N/A	0.16	0.79	1.03	1.03	\$10.30
Bloomberg Barclays U.S. Government/Credit (1-3 years, ex BBB) Index			2.46	2.47	0.93	1.11			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 2,4,5,7,8,9,12,13,15,16,18,19,22									
<b>Cash-Equivalent Investments</b>									
<b>American Funds U.S. Government Money Market Fund</b>	<b>Cash-equivalent</b>	05/01/09	0.00	N/A	0.00	0.00	0.51	0.08	\$5.10
USTREAS T-Bill Auction Ave 3 Mon			0.10	0.83	0.09	0.26			
American Funds. Shareholder Type Fees - None.									
The annualized seven-day SEC yield for American Funds U.S. Government Money Market Fund <sup>SM</sup> , calculated in accordance with the SEC formula, was 0.00% as of 09/30/16. The yield takes into account the reimbursements of certain expenses where applicable. Without these, the yield would have been -0.15%. The yield more accurately reflects the investment's current earnings than do the investments total returns.									
<b>Target Date Investments</b>									
<b>American Funds Target Date 2010</b>	<b>Target date</b>	02/01/07	4.03	N/A	7.62	9.13	1.03	1.03	\$10.30
S&P Target Date Through 2010 Index			4.70	5.12	7.78	8.29			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2015</b>	<b>Target date</b>	02/01/07	4.26	N/A	8.55	9.33	1.03	1.03	\$10.30
S&P Target Date Through 2015 Index			4.78	5.30	8.95	9.19			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2020</b>	<b>Target date</b>	02/01/07	4.42	N/A	9.64	9.54	1.03	1.03	\$10.30
S&P Target Date Through 2020 Index			4.74	5.34	9.95	9.98			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									

The investment options in your plan

# Investment-Related Information

## Investment Options for Class R-3 as of 09/30/16

Investment Name Benchmark Investment Manager	Asset Class	Inception Date	Average Annual Total Returns (%)				Expense Ratios (%)		Gross Expenses per \$1,000
			Lifetime	10 Years	5 Years	1 Year	Gross	Net	
<b>Target Date Investments</b>									
<b>American Funds Target Date 2025</b>	<b>Target date</b>	02/01/07	4.90	N/A	11.24	10.30	1.07	1.07	\$10.70
S&P Target Date Through 2025 Index			4.91	5.57	10.86	10.71			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2030</b>	<b>Target date</b>	02/01/07	5.26	N/A	12.01	11.31	1.07	1.07	\$10.70
S&P Target Date Through 2030 Index			5.00	5.73	11.50	11.30			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2035</b>	<b>Target date</b>	02/01/07	5.28	N/A	12.18	11.94	1.09	1.09	\$10.90
S&P Target Date Through 2035 Index			5.01	5.78	11.96	11.74			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2040</b>	<b>Target date</b>	02/01/07	5.34	N/A	12.34	12.21	1.09	1.09	\$10.90
S&P Target Date Through 2040 Index			5.01	5.82	12.23	12.02			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2045</b>	<b>Target date</b>	02/01/07	5.35	N/A	12.38	12.21	1.10	1.10	\$11.00
S&P Target Date Through 2045 Index			4.93	5.76	12.40	12.22			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,23,24,25,26									
<b>American Funds Target Date 2050</b>	<b>Target date</b>	02/01/07	5.35	N/A	12.39	12.33	1.11	1.11	\$11.10
S&P Target Date Through 2050 Index			4.98	5.81	12.44	12.32			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,24,25,26,27									
<b>American Funds Target Date 2055</b>	<b>Target date</b>	02/01/10	9.72	N/A	12.36	12.35	1.14	1.14	\$11.40
S&P Target Date Through 2055 Index			10.00	N/A	12.47	12.32			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,24,25,26									
<b>American Funds Target Date 2060</b>	<b>Target date</b>	03/27/15	3.24	N/A	N/A	12.35	1.37	1.13	\$13.70
S&P Target Date Through 2055 Index			2.42	N/A	12.47	12.32			
American Funds. Shareholder Type Fees - None.									
Investment footnote(s): 1,2,3,4,5,7,8,9,10,11,12,13,15,17,18,19,24,25,26									



# Investment-Related Disclosure

## Investment-Related Disclosure

- <sup>1</sup> Investments in emerging- and frontier-markets securities may be subject to greater market, credit, currency, liquidity, legal, political, and other risks compared with assets invested in developed foreign countries.
- <sup>2</sup> Investments in foreign securities may be subject to increased volatility as the value of these securities can change more rapidly and extremely than can the value of U.S. securities. Foreign securities are subject to increased issuer risk because foreign issuers may not experience the same degree of regulation as U.S. issuers do and are held to different reporting, accounting, and auditing standards. In addition, foreign securities are subject to increased costs because there are generally higher commission rates on transactions, transfer taxes, higher custodial costs, and the potential for foreign tax charges on dividend and interest payments. Many foreign markets are relatively small, and securities issued in less-developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations, including suspension of the ability to transfer currency from a country. Economic, political, social, or diplomatic developments can also negatively impact performance.
- <sup>3</sup> The investment is intended to be held for a substantial period of time, and investors should tolerate fluctuations in their investment's value.
- <sup>4</sup> Because the investment's market value may fluctuate up and down, an investor may lose money, including part of the principal, when he or she buys or sells the investment.
- <sup>5</sup> The investment is not a deposit or obligation of, or guaranteed or endorsed by, any bank and is not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other U.S. governmental agency.
- <sup>6</sup> Growth securities may be subject to increased volatility as the value of these securities is highly sensitive to market fluctuations and future earnings expectations. These securities typically trade at higher multiples of current earnings than do other securities and may lose value if it appears their earnings expectations may not be met.
- <sup>7</sup> The investment is actively managed and subject to the risk that the advisor's usage of investment techniques and risk analyses to make investment decisions fails to perform as expected, which may cause the portfolio to lose value or underperform investments with similar objectives and strategies or the market in general.
- <sup>8</sup> A stake in any individual security is subject to the risk that the issuer of that security performs poorly, resulting in a decline in the security's value. Issuer-related declines may be caused by poor management decisions, competitive pressures, technological breakthroughs, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Additionally, certain issuers may be more sensitive to adverse issuer, political, regulatory, market, or economic developments.
- <sup>9</sup> The market value of the portfolio's securities may fall rapidly or unpredictably because of changing economic, political, or market conditions, which may reduce the value of the portfolio.
- <sup>10</sup> Concentrating assets in small-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Smaller, less-seasoned companies may be subject to increased liquidity risk compared with mid- and large-cap companies and may experience greater price volatility than do those securities because of limited product lines, management experience, market share, or financial resources, among other factors.
- <sup>11</sup> Investments in below-investment-grade debt securities and unrated securities of similar credit quality, commonly known as "junk bonds" or "high-yield securities," may be subject to increased interest, credit, and liquidity risks.
- <sup>12</sup> Restricted and illiquid securities may fall in price because of an inability to sell the securities when desired. Investing in restricted securities may subject the portfolio to higher costs and liquidity risk.
- <sup>13</sup> The value of fixed-income or debt securities may be susceptible to general movements in the bond market and are subject to interest-rate and credit risk.
- <sup>14</sup> The investment's income payments may decline depending on fluctuations in interest rates and the dividend payments of its underlying securities. In this event, some investments may attempt to pay the same dividend amount by returning capital.

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- <sup>15</sup> Investments in derivatives may be subject to the risk that the advisor does not correctly predict the movement of the underlying security, interest rate, market index, or other financial asset, or that the value of the derivative does not correlate perfectly with either the overall market or the underlying asset from which the derivative's value is derived. Because derivatives usually involve a small investment relative to the magnitude of liquidity and other risks assumed, the resulting gain or loss from the transaction will be disproportionately magnified. These investments may result in a loss if the counterparty to the transaction does not perform as promised.
- <sup>16</sup> Unlike other fixed-income securities, the values of inflation-protected securities are not significantly impacted by inflation expectations because their interest rates are adjusted for inflation. Generally, the value of inflation-protected securities will fall when real interest rates rise and rise when real interest rates fall.
- <sup>17</sup> Investments in futures contracts and options on futures contracts may increase volatility and be subject to additional market, active management, interest, currency, and other risks if the contract cannot be closed when desired.
- <sup>18</sup> Investments in mortgage-backed and asset-backed securities may be subject to increased price volatility because of changes in interest rates, issuer information availability, credit quality of the underlying assets, market perception of the issuer, availability of credit enhancement, and prepayment of principal. The value of ABS and MBS may be adversely affected if the underlying borrower fails to pay the loan included in the security.
- <sup>19</sup> Investments in U.S. government obligations are subject to varying levels of government support. In the event of default, some U.S. government securities, including U.S. Treasury obligations and Ginnie Mae securities, are issued and guaranteed as to principal and interest by the full faith and credit of the U.S. government. Other securities are obligations of U.S. government-sponsored entities but are neither issued nor guaranteed by the U.S. government.
- <sup>20</sup> Investments in securities traded in foreign currencies or more directly in foreign currencies are subject to the risk that the foreign currency will decline in value relative to the U.S. dollar, which may reduce the value of the portfolio. Investments in currency hedging positions are subject to the risk that the value of the U.S. dollar will decline relative to the currency being hedged, which may result in a loss of money on the investment as well as the position designed to act as a hedge. Cross-currency hedging strategies and active currency positions may increase currency risk because actual currency exposure may be substantially different from that suggested by the portfolio's holdings.
- <sup>21</sup> A nondiversified investment, as defined under the Investment Act of 1940, may have an increased potential for loss because its portfolio includes a relatively small number of investments. Movements in the prices of the individual assets may have a magnified effect on a nondiversified portfolio. Any sale of the investment's large positions could adversely affect stock prices if those positions represent a significant part of a company's outstanding stock.
- <sup>22</sup> This investment holds shorter term bonds.
- <sup>23</sup> The S&P Target Date Through series indexes (2010-2045) began on 5/31/2007. From 2/1/2007 through 5/30/2007, the S&P Target Date series was used.
- <sup>24</sup> The value of equity securities, which include common, preferred, and convertible preferred stocks, will fluctuate based on changes in their issuers' financial conditions, as well as overall market and economic conditions, and can decline in the event of deteriorating issuer, market, or economic conditions.
- <sup>25</sup> A portfolio's risks are closely associated with the risks of the securities and other investments held by the underlying or subsidiary funds, and the ability of the portfolio to meet its investment objective likewise depends on the ability of the underlying funds to meet their objectives. Investment in other funds may subject the portfolio to higher costs than owning the underlying securities directly because of their management fees.
- <sup>26</sup> Performance is subject to the risk that the advisor's asset allocation and investment strategies do not perform as expected, which may cause the portfolio to underperform its benchmark, other investments with similar objectives, or the market in general. The investment is subject to the risk of loss of income and capital

# Investment-Related Disclosure

invested, and the advisor does not guarantee its value, performance, or any particular rate of return.

<sup>27</sup> The S&P Target Date Through 2050 Index began on 5/30/2008. From 2/1/2007 through 5/29/2008, the S&P Target Date 2045 Index was used.

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## Please read the following important disclosure.

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. Net expense ratios reflect any current waivers and/or reimbursements to the funds; gross expense ratios do not. When applicable, investment results reflect fee waivers and/or expense reimbursements, without which results would have been lower. For more information, please see your plan's website.

For the American Funds target date series, investment results, when applicable, reflect expense reimbursements, without which results would have been lower. Please see [americanfundsretirement.com](http://americanfundsretirement.com) for more information. The investment adviser is currently reimbursing a portion of other expenses for each share class of American Funds 2060 Target Date Retirement Fund. The reimbursement will be in effect through at least January 1, 2017, unless modified or terminated by the investment adviser. Investment results and net expense ratios for the 2060 Fund reflect the reimbursement, without which the results would have been lower and the expenses would have been higher. The expense ratios are as of each fund's prospectus

available at the time of publication and include the weighted average expenses of the underlying American Funds. The expense ratios for the 2060 Fund are estimated.

For the American Funds money market fund, the investment adviser is currently reimbursing a portion of the fund's fees and expenses. Investment results and net expenses reflect the reimbursement, without which results would have been lower and net expenses higher. Please see the "Financial Highlights" table in the fund's most recent prospectus for details.

Although American Funds U.S. Government Money Market Fund has a 12b-1 plan for this share class, it's currently suspending certain 12b-1 payments in this low-interest-rate environment. Should payments commence, its investment results will be lower and expenses will be higher.

Short-Term Bond Fund of America Class R-3 shares were first sold on November 22, 2006; results prior to that date are hypothetical, based on Class A share results without a sales charge, and adjusted for estimated additional annual expenses of 0.39%.

Lifetime returns for less than one year aren't annualized, but are calculated as cumulative total returns.

Some investment names may be abbreviated due to space limitations. For a list of the full names of the American Funds, including trademark information, visit [americanfundsretirement.com](http://americanfundsretirement.com).

The indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. There have been periods when the investments have lagged the indexes.

## Share Class

American Funds Class R-3 shares were first offered on May 15, 2002. Class R-3 share results prior to the date of first sale are hypothetical based on Class A share results without a sales charge, adjusted for typical estimated additional expenses. Please see the prospectuses for more information on specific expenses.

## Manager

The American Funds are managed by Capital Group, one of the largest investment management organizations in the world. Since 1931, the company has invested with a long-term focus based on thorough research and attention to risk – an investment style similar to that of most people saving for retirement.

# The investment options in your plan

## Investment Details

Please read the important "Investment Results Disclosure" that precedes these "Investment Details."

### Target Date Investments

#### American Funds

#### American Funds Target Date Retirement Series®

##### Goal

Depending on the proximity to its target date, each fund will seek to achieve the following objectives to varying degrees: growth, income and conservation of capital.

##### Fast Facts (updated annually as of 12/31/15)

- The series offers a number of target date fund portfolios in five-year increments for retirement dates through 2060.
- Each target date fund portfolio:
  - Is made up of at least **16** American Funds
  - Consists of the investment ideas of **70+** portfolio managers

##### What You Should Know About the Target Date Series

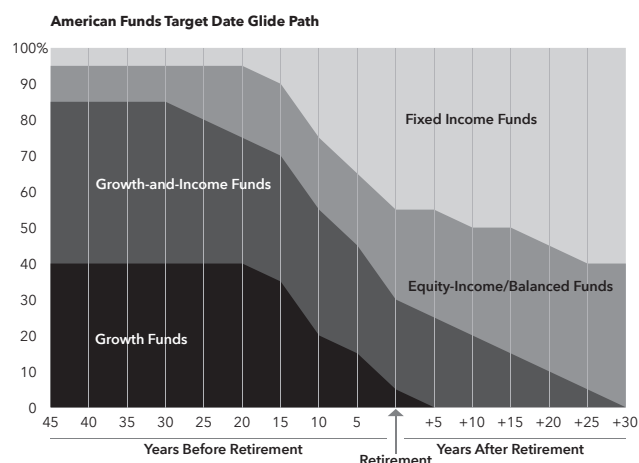
- Each fund is composed of a diverse mix of the American Funds and is subject to their risks and returns.
- You can choose a *single* investment option as your overall portfolio.
- You don't have to manage the portfolio. American Funds investment professionals manage the target date fund's portfolio, moving it from a more growth-oriented focus to a more income-oriented focus as the fund gets closer to its target date.
- Investment professionals continue to manage each fund for 30 years after its target date is reached.
- The target date is the year in which an investor is assumed to retire and begin taking withdrawals.
- Although the target date funds are managed for investors on a projected retirement date time frame, the funds' allocation approach does not guarantee that investors' retirement goals will be met. In addition, contributions to a target date fund may not be adequate to reach your retirement goals.

##### The Funds Are Managed Through Retirement

The target date series is managed to take investors *through* retirement – and accordingly, it's managed well beyond a target retirement year. In a sense, the retirement date is seen as a starting point rather than an ending point.

##### The Target Date Fund Portfolios

The target date funds follow this current investment approach (see below), moving from a more growth-oriented focus when retirement is years away to a more income-oriented focus as the retirement date approaches. Each fund may include a mix of growth, growth-and-income, equity-income/balanced and fixed income funds (i.e., bond funds).



The target allocations shown are effective as of January 1, 2016, and are 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. Underlying funds may be added or removed during the year. For quarterly updates of fund allocations, visit [americanfundsretirement.com](http://americanfundsretirement.com).

##### How Target Date Funds Work

Target date funds are most appropriate for individuals who intend to retain assets in the fund past the designated target date and then gradually withdraw their assets over time. Keep in mind that while the funds are designed to serve investors throughout the retirement income phase, you don't have to retain assets in the fund past the designated target date. Instead, you can move your money out of the target date fund and into other investments of your choosing.

You'll find an explanation of each target date fund's investment approach in its summary prospectus. Please read the prospectus carefully before investing. You can also find key investment details about each fund on [americanfundsretirement.com](http://americanfundsretirement.com) or your plan's website.

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**AMERICAN FUNDS**

**Pacific Northwest University of Health Sciences Retirement Plan  
Qualified Default Investment Alternative Notice  
November 2016**

To help you prepare for retirement, Pacific Northwest University of Health Sciences offers you a profit sharing plan. You can choose to invest the contributions made to your account in a number of investment options. This notice describes the investment that will be used for contributions allocated to your account in the event you fail to select an investment option.

**Investing in the Plan**

Unless you make an investment selection, your contributions will be invested in the default option for the Plan.

The default option for our Plan is the American Funds Target Date Retirement Series. Designed to simplify your investment decision-making, the Series is made up of 11 target date fund portfolios, each composed of a different mix of the American Funds, with retirement dates ranging from 2010 through 2060 in five-year increments. Each target date fund serves as a single diversified retirement portfolio — with an underlying investment approach aligned with its retirement date — so you only need to select one. Each fund in the Series attempts to balance investors’ long-term needs for both return and conservation of capital.

American Funds investment professionals actively manage each target date fund’s portfolio, moving it from a more growth-oriented approach to a more income-oriented focus as the fund gets closer to its target date. Once the fund reaches its target date, American Funds investment professionals continue to manage it for 30 years.

Although the target date funds are managed for investors on a projected retirement date time frame, the fund’s allocation approach does not guarantee that investors’ retirement goals will be met. For investors who are close to, or in, retirement, each fund’s equity exposure may result in investment volatility that could reduce an investor’s available retirement assets at a time when the investor has a need to withdraw funds. For investors who are further from retirement, there is a risk that a fund’s allocation may over-emphasize investments designed to preserve capital and provide current income, which may prevent the investor from reaching his or her retirement goals. For quarterly updates of the underlying fund allocations, visit [americanfunds.com/retire](http://americanfunds.com/retire).

In applying any particular asset allocation model to your own individual situation, you should also take into account your risk tolerance as well as your other assets and any investments outside your plan, such as your home equity, IRAs and savings accounts.

To determine which fund might be appropriate for you, find the date-specific fund in the following table that most closely matches the year in which you expect to retire and possibly start withdrawing money. If you fail to make an investment selection, your account contributions will be invested automatically in the fund whose target retirement date most closely matches your anticipated retirement under the terms of our plan.

Name of fund	Period of anticipated retirement
American Funds 2060 Target Date Retirement Fund <sup>SM</sup>	2058 and later
American Funds 2055 Target Date Retirement Fund <sup>®</sup>	2053 thru 2057
American Funds 2050 Target Date Retirement Fund <sup>®</sup>	2048 thru 2052
American Funds 2045 Target Date Retirement Fund <sup>®</sup>	2043 thru 2047
American Funds 2040 Target Date Retirement Fund <sup>®</sup>	2038 thru 2042
American Funds 2035 Target Date Retirement Fund <sup>®</sup>	2033 thru 2037
American Funds 2030 Target Date Retirement Fund <sup>®</sup>	2028 thru 2032
American Funds 2025 Target Date Retirement Fund <sup>®</sup>	2023 thru 2027
American Funds 2020 Target Date Retirement Fund <sup>®</sup>	2018 thru 2022
American Funds 2015 Target Date Retirement Fund <sup>®</sup>	2013 thru 2017
American Funds 2010 Target Date Retirement Fund <sup>®</sup>	2012 and earlier

For example, if, under the terms of the plan, your anticipated retirement date is 2016, your account will be invested in the 2015 Fund; for retirement in 2039, in the 2040 Fund; and for retirement in 2051, in the 2050 Fund. The target date is the year in which an investor is assumed to retire and begin taking withdrawals.

The 2060 Fund was added to the Series on March 27, 2015. If you were added to the Plan's recordkeeping system *on or after* March 27, 2015, and your estimated retirement date is 2058 or later, you will be defaulted into the 2060 Fund. If you were added to the Plan's recordkeeping system *before* March 27, 2015, and your estimated retirement date is 2058 or later, only your *future* contributions will be defaulted into the 2060 Fund; your *current* plan assets will remain in the 2055 Fund. To determine which fund you're currently invested in, refer to your most recent quarterly plan statement.

The target date funds are subject to the risks and returns of the underlying American Funds, which may be added or removed during the year. Investing outside the United States involves risks such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the funds' 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.

Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than are higher rated bonds. The return of principal in bond funds and funds with 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. While not directly correlated to changes in interest rates, the values of inflation-linked bonds generally fluctuate in response to changes in real interest rates and may experience greater losses than other debt securities with similar durations. Investments in mortgage-related securities involve additional risks, such as prepayment risk, as more fully described in the fund's prospectus. Investments in securities issued by U.S. governmental agencies or instrumentalities may not be guaranteed by the U.S. government.

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

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the funds' prospectus and summary prospectus, which can be obtained from a financial professional and should be read carefully before investing.

### **What if I do not want my contributions invested in the default fund?**

To avoid having your contributions initially invested in the default fund, take the following actions:

- Obtain an enrollment/change form from your Human Resources Department.
- Make your investment selection on the enrollment/change form.
- Return the completed enrollment/change form to your Human Resources Department.

You can change the way your future contributions are invested at any time, or you can make an exchange from the default investment into any other investment available for your plan by going to the website **[americanfunds.com/retire](http://americanfunds.com/retire)**, or by calling the toll-free number at **(800) 421-6019**. There is no transaction fee for making an exchange into one of the other investment options available in your plan.

**For more information, contact your Human Resources Department, or Steve Pilger at BBM Financial Services (509) 248-7930, or log on to [americanfunds.com/retire](http://americanfunds.com/retire).**



Figures shown are past results for Class R-3 shares at net asset value and are not predictive of future results. Class R-3 shares were first offered on May 15, 2002. Class R-3 share results prior to the date of first sale are hypothetical based on Class A share results without a sales charge, adjusted for typical estimated additional expenses.

Current and future results may be lower or higher than those shown here. Share prices and returns will vary, so you may lose money. Investing for short periods makes losses more likely. It's important that you read the prospectuses carefully before investing. You may want to consult with your personal tax advisor. For current information and month-end results, visit [americanfunds.com/retire](http://americanfunds.com/retire).

The table below shows the funds' expense ratios and average annual total returns as of September 30, 2016. (There is no sales charge for purchasing Class R shares.)

Class R-3 share					
Fund name	Gross/net expense ratios %	Lifetime returns** %	10-year returns %	5-year returns %	1-year returns %
2060 Target Date Fund*	1.37/1.13	3.24	—	—	12.35
2055 Target Date Fund	1.14/1.14	9.72	—	12.36	12.35
2050 Target Date Fund	1.11/1.11	5.35	—	12.39	12.33
2045 Target Date Fund	1.10/1.10	5.35	—	12.38	12.21
2040 Target Date Fund	1.09/1.09	5.34	—	12.34	12.21
2035 Target Date Fund	1.09/1.09	5.28	—	12.18	11.94
2030 Target Date Fund	1.07/1.07	5.26	—	12.01	11.31
2025 Target Date Fund	1.07/1.07	4.90	—	11.24	10.30
2020 Target Date Fund	1.03/1.03	4.42	—	9.64	9.54
2015 Target Date Fund	1.03/1.03	4.26	—	8.55	9.33
2010 Target Date Fund	1.03/1.03	4.03	—	7.62	9.13

\*American Funds 2060 Target Date Retirement Fund® became available for purchase on March 27, 2015.

\*\*The target date funds show lifetime returns, rather than 10-year returns, because their lifetime is less than 10 years.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, investment results reflect expense reimbursements, without which results would have been lower. The investment adviser is currently reimbursing a portion of other expenses for each share class of American Funds 2060 Target Date Retirement Fund. The reimbursement will be in effect through at least January 1, 2017, unless modified or terminated by the investment adviser. Investment results and net expense ratios reflect the reimbursement, without which the results would have been lower and the expenses would have been higher. The expense ratios are as of each underlying fund's prospectus available at the time of publication and include the weighted average expenses of the underlying funds. The expense ratios for the 2060 Target Date Fund are estimated.