

SYSTEMATIC WITHDRAWAL PROGRAMS

If you had invested \$100,000 in 1989, then began making monthly withdrawals, how much would you have left?

It is assumed that a net investment of \$100,000 was made at the beginning of the period and that \$833.33 was withdrawn each month (10% each year). All income and capital gains dividends are reinvested in shares. To provide for such payments, sufficient shares are sold from the shareholder's account at the time of each withdrawal. Continued withdrawals in excess of current income could eventually exhaust the principal balance, particularly in a period of declining stock prices.

Systematic withdrawal program

1. The amounts withdrawn are NOT dividends or income. The amounts withdrawn are the proceeds from redemption of shares and may contain an element of capital gains.
2. The total results of performance obtained from a fixed rate of withdrawal vary substantially depending on the Fund's investment performance and the rate of withdrawal during the period the program was in effect.
3. An investor who starts a withdrawal program should review, at least once each year, the investment return obtained and the value of the shares remaining. Based on this annual review, an investor can then increase or decrease the amount of the monthly withdrawal if a change seems appropriate.
4. An investor probably should not begin a Systematic Withdrawal Program for several months after making the initial investment, since it may not have appreciated sufficiently in value to cover the amount of withdrawals. Therefore, the investor might simply begin to receive a refund of his or her own investment capital.

A cash withdrawal program based on a net investment of \$100,000 with \$10,000 withdrawn each year - 10% of initial investment

Years ended April 30	Initial net investment	Capital gains dividends reinvested	Income dividends reinvested	Cumulative withdrawals	Value of investment on April 30
1990	\$100,000	\$ 1,470	\$ 710	\$ 10,000	\$ 92,698
1991	—	2,064	563	20,000	89,228
1992	—	3,267	344	30,000	97,420
1993	—	7,062	—	40,000	101,672
1994	—	4,360	—	50,000	120,450
1995	—	4,020	—	60,000	115,369
1996	—	4,666	—	70,000	124,082
1997	—	5,517	—	80,000	134,959
1998	—	6,122	—	90,000	153,662
1999	—	16,895	—	100,000	145,598

Illustrations of 10-year cash withdrawal programs based on an assumed net investment of \$100,000 with monthly withdrawals of \$833.33 totalling \$10,000 per year - 10% of initial investment

10-year Period		Initial net investment	Capital gains dividends reinvested	Income dividends reinvested	Amount withdrawn over 10 years	Value at end of period
From May 1	To April 30					
1955	1965	\$ 100,000	\$ —	\$ 981	\$ 100,000	\$ 95,088
1956	1966	100,000	—	1,900	100,000	77,175
1957	1967	100,000	—	4,895	100,000	117,619
1958	1968	100,000	—	10,278	100,000	202,944
1959	1969	100,000	—	7,512	100,000	132,577
1960	1970	100,000	—	11,387	100,000	161,155
1961	1971	100,000	—	9,155	100,000	90,139
1962	1972	100,000	1,752	11,609	100,000	130,383
1963	1973	100,000	6,602	17,477	100,000	254,310
1964	1974	100,000	29,679	19,582	100,000	202,181
1965	1975	100,000	21,665	16,184	100,000	147,097
1966	1976	100,000	22,099	16,411	100,000	165,856
1967	1977	100,000	27,457	19,053	100,000	252,432
1968	1978	100,000	39,121	19,416	100,000	320,410
1969	1979	100,000	29,124	15,128	100,000	242,736
1970	1980	100,000	36,245	18,765	100,000	303,527
1971	1981	100,000	59,677	25,265	100,000	465,121
1972	1982	100,000	42,185	23,060	100,000	270,866
1973	1983	100,000	38,029	20,536	100,000	237,860
1974	1984	100,000	39,350	33,374	100,000	390,841
1975	1985	100,000	52,699	41,696	100,000	467,365
1976	1986	100,000	65,445	45,331	100,000	563,597
1977	1987	100,000	70,444	45,779	100,000	454,328
1978	1988	100,000	46,528	30,207	100,000	251,777
1979	1989	100,000	45,602	29,094	100,000	251,727
1980	1990	100,000	45,000	27,833	100,000	230,037
1981	1991	100,000	29,792	18,960	100,000	141,025
1982	1992	100,000	49,175	24,166	100,000	253,783
1983	1993	100,000	41,737	15,088	100,000	170,413
1984	1994	100,000	46,829	12,607	100,000	196,744
1985	1995	100,000	44,928	9,716	100,000	166,961
1986	1996	100,000	29,910	5,398	100,000	94,207
1987	1997	100,000	27,371	2,340	100,000	91,470
1988	1998	100,000	45,696	2,989	100,000	182,551
1989	1999	100,000	55,443	1,617	100,000	145,598

Best Worst