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**30 September 2011**

**Public Company Accounting Oversight Board  
Office of the Secretary  
1666 K Street  
Washington, D. C. 20006-2803**

**Re: Docket # 34**

**Gentlepeople:**

**For the past 30 years I have been a director of several of the mutual funds managed by Capital Research and Management Company and have served as well as the Independent Chair of the Investment Company of America, American Mutual Fund, AMCAP Fund, American funds Insurance Series, American Target Date Funds and all the Fixed Income Funds. In addition I have been Chair of many Audit Committees and have served as the Audit Committee Financial Expert.**

**From 1959 until 1986 I worked for The Christiana Companies, NYSE, and stepped down as Chairman and CEO in the late 70s / early 80s.**

**My experience with auditors and audit committees is extensive and I am pleased to note that we never received a qualified opinion and rarely had any disagreements, ( however small ), with the five separate audit firms with whom I dealt over these years.**

**However, I have seen an increasing responsibility delegated to these boards and to audit committee members. Although well intentioned, such as Sarbanes Oxley, many of these requirements have not aided our oversight ability and effectiveness.**

**Without exception the relations with these audit firms was, and is, collegial and not confrontational. In the mutual fund business an equivalent relationship has existed with the adviser, Capital Research and Management.**

**As directors, now trustees, of the American Funds, our function has been one of oversight and our ultimate responsibility is to our fellow shareholders. All directors have been encouraged to own shares in the enterprises as my belief is that, as directors responsible to shareholders, we should have "skin in the game".**

**Thus each of these entities through their auditors, advisers and directors/trustees, have a shared commitment to the success, both short and long term, of the entities.**

**This shared commitment enhances and insures that there are many lines of communication, both required and in meetings, between the parties.**

**The duties and responsibilities of directors/trustees and of the auditor and of the adviser are clear and distinct. In my opinion to require the auditor to issue an “ADA” in addition to an opinion is to require the auditor to comment on areas in which the auditor might not have expertise and is to incur extra costs that could significantly increase the cost of the audit without providing any real benefit.**

**By the same token a requirement to use “Emphasis Paragraphs” or to involve auditors in commenting on “Information Outside of the Financial Statements” is unnecessary and would be ill advised. Emphasis might raise concern rather than clarification.**

**One of the great benefits of the confidential executive sessions that conclude each audit meeting is that the time is often used to ask the auditor to opine on any subject or incident that might have arisen during the year and/or the audit that would necessitate further inquiry by the Audit Committee.**

**Thank you for the opportunity to express my views,**

**Martin Fenton  
Chairman**