



Capital Research and Management®

Capital Research and Management Company

333 South Hope Street
Los Angeles, California 90071-1406

Phone (213) 486 9200

Fax (213) 486 9455

VIA ELECTRONIC DELIVERY

February 29, 2012

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

Re: Request for Public Comment: Proposed Auditing Standard Related to Communications with Audit Committees, PCAOB Rulemaking Docket Matter No. 30

Dear Office of the Secretary:

Capital Research and Management Company (“Capital”) serves as investment adviser to the American Funds, one of the oldest and largest mutual fund families in the nation. We appreciate the opportunity to provide comments on the Proposed Auditing Standard related to Communications with Audit Committees (“Proposed Standard”). These comments are informed by our interactions with the audit committees and independent auditors of the American Funds. These comments reflect our own views and not necessarily those of Capital, or other Capital associates.

We support the Public Company Accounting Oversight Board’s continued efforts to enhance the relevance and quality of the communications between the independent auditor and the audit committee. We believe fuller and more relevant communications between the independent auditor and the audit committee will enable the audit committee to more effectively fulfill its oversight responsibilities regarding the financial reporting process, and allow the auditor to perform a more informed and effective audit. At audit committee meetings for the American Funds, the Funds’ independent auditors

The Capital Group Companies

American Funds Capital Research and Management Capital International Capital Guardian Capital Bank and Trust

provide the audit committees with an understanding of the overall audit strategy and an evaluation of the inherent risks identified as part of the audit. Routinely discussed items include significant/critical accounting policies, practices and estimates, including significant unusual transactions, CRMC's internal control reports (known as SOC 1 reports under the SSAE 16 guidance) and the Funds' financial statements themselves. In addition, members of the committees coordinate with Capital associates and the independent auditors to facilitate focused discussions on internal control topics and current events, such as new accounting and regulatory pronouncements, relevant to the oversight of the financial statements.

The foregoing paragraph includes examples of information currently communicated between our audit committees and independent auditors, and we believe the Proposed Standard codifies these and other best practices into standard required communications. In closing, we support the Boards goal of improving audit committee communications and believe the requirements in the Proposed Standard provide a framework that will promote effective and consistent communications between the audit committee and independent auditor.

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Please feel free to contact any of us should you have any questions or wish to discuss our thoughts on the Proposed Standard.

Sincerely,

Brian D. Bullard
Senior Vice President – Fund Business Management Group –
Capital Research and Management Company
(949) 975-3708

Brian C. Janssen
Vice President – Fund Business Management Group –
Capital Research and Management Company
(949) 975-6753