

October 2, 2007

Ms. Nancy Morris  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**Re: Proposed Rule regarding Shareholder Proposals (File No. S7-16-07); and  
Shareholder Proposals relating to the Election of Directors (File No. S7-17-07)**

Dear Ms. Morris:

We appreciate the opportunity to provide our views on the U.S. Securities and Exchange Commission's ("Commission") proxy access proposals. We highlight our support and general agreement with the comments expressed by the Investment Company Institute in their comment letter relating to these proposals.

Capital Research and Management Company is the investment adviser to the 30 funds in the American Funds Group, with more than \$900 billion in assets under management. As long term investors, actively engaged in voting proxies in the interest of our funds' shareholders, we support a process which allows for meaningful director elections. Allowing access to the director nomination process would be an important option in cases where boards are unresponsive to their investors.

We understand and appreciate the Commission's focus on providing full disclosure of an entity seeking to nominate a director, but would like to see both the ownership threshold and the holding period increased to provide a more meaningful hurdle. We believe that an ownership threshold of 10% would ensure a financial interest substantial enough to justify the potential disruption to a company's business operations. Additionally, a requirement that the shares be held for at least two years would prevent action by short-term investors whose goals maybe at odds with the company and the majority of its shareholders. We also feel that a 10% ownership threshold should include a requirement that at least two shareholders must act together, providing more certainty that any access proposal would more broadly represent a company's shareholders.

We applaud the Commission's efforts to increase use of electronic media by clarifying that companies and shareholders may establish shareholder forums under proposed Rule 14a-18.

We encourage the Commission to propose specific amendments to Rule 14a-8, and recommend consideration of an increase in the Rule's dollar ownership requirement (currently \$2,000) to more meaningfully reflect the growth in security values over the past several years.

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We appreciate the opportunity to comment on this important regulatory initiative.

Sincerely,



Anne T. Chapman  
Vice President – Fund Business Management Group



Chad L. Norton  
Vice President – Fund Business Management Group