



# American River Bankshares

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August 23, 2010

Elizabeth M. Murphy  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549

RE: Comments on U. S. Proxy System File No. S7-14-10

Dear Ms. Murphy:

I am in favor of the concept release the approved by the Chair and commissioners of the SEC on July 14, 2010 and happy to see that the Shareholder Communications Coalition and the National Investor Relations Institute (“NIRI”) also support the concept release and that the following issues should be addressed for the improving our current proxy system:

- Eliminating barriers between public companies and their beneficial owners holding shares in “street name,” so that companies are able to know who their shareholders are and can communicate with them directly. Beneficial owners wishing to remain anonymous should be permitted to register their shares in a nominee or custodial account with their broker or bank.
- Improving the integrity of the proxy voting system and ensuring that proxy votes are transparent and verifiable.
- Fostering competition among proxy service providers. Companies should be able to select the distributors of their communications and should not be forced to pay for a system in which proxy fees and intermediary services are determined by third parties.
- Addressing the influence of proxy advisory services, which have an oversized impact on the proxy voting process. These firms should be subject to increased SEC oversight and should be required to make additional public disclosures regarding their standards, methodologies, and conflicts of interest.
- The need for greater equity ownership transparency within the investment community. I concur with NIRI’s statement favoring a reporting regime that promotes more timely and frequent long position reporting, as well as commensurate full and fair short position disclosure.

I appreciate the opportunity to respond to these important issues and look forward to an improved proxy system. Please note that some of the responses provided represent my personal views and not necessarily the views of American River Bankshares.

Sincerely,

Mitchell A. Derenzo  
Executive Vice President  
Chief Financial Officer