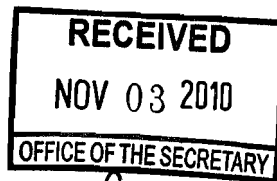


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REGARDING THE S.E.C. PROPOSED RULE AND RULE ADJUSTMENTS
WHICH ARE SUPPOSEDLY DESIGNED TO PROTECT INDIVIDUAL INVESTORS
FROM PAYING DISPROPORTIONATE AMOUNTS OF SALES CHARGES IN
CERTAIN SHARE CLASSES.

I HAVE ENCLOSED MY FIRM'S CHARGES FOR INVESTING IN A
MANAGED ACCOUNT. I HAVE BEEN AN INVESTMENT ADVISOR FOR
OVER 20 YEARS AND CANNOT UNDERSTAND HOW A MANAGED ACCOUNT
IS CHEAPER THAN A "C" SHARE ACCOUNT.

THE FEES DISCLOSED IN GRID FORMAT DO NOT INCLUDE ANY FEES
FOR THE MONEY MANAGER OR MUTUAL FUND MANAGER - THEREFORE,
YOU NEED TO ADD *.87 % ON AVERAGE. WHEN I COMPARE AMERICAN
FUNDS "C" SHARE CHARGE TO THE CLIENT, IT IS .72 % CHEAPER
ON AVERAGE - CERTAINLY CHEAPER THAN OUR MANAGED ACCOUNTS.

I AM STILL TRYING TO UNDERSTAND WHY MY FIRM IS STRONGLY
EMPHASIZING AND SUGGESTING MANAGED ACCOUNTS FOR MY CLIENTS?!

MOST ADVISORS ARE CHARGING 1.25 - 1.50% - MGD MONEY

* F SHARE RATIO FOR AMERICAN FUNDS IS .64 - 1.1% = ^{AVG} .87%

AS TO FULL DISCLOSURE TO THE CLIENT - IT'S REAL EASY - HAVE THE CLIENT SIGN A ONE-PAGE DOCUMENT (WHEN PURCHASING "C" SHARES) THAT CLEARLY SHOWS ALL FEES PAID - MANAGEMENT, EXPENSE, 12b-1 PAID TO THE ADVISOR, ETC AND EMPHASIZE THESE FEES ARE INCURRED YEARLY OR AS LONG AS YOU OWN THAT MUTUAL FUND "C" SHARE. THIS DOCUMENT WOULD BE A PERMANENT ADDENDUM SIGNED BY THE CLIENT AND RETAINED ON FILE.

THE DOCUMENTATION CLIENTS SIGN NOW TO HAVE A MANAGED ACCOUNT IS FAR MORE ONEROUS IN LENGTH (WHICH MOST CLIENTS WON'T READ TO THE GREATEST DETAIL) AND NOWHERE AS EASILY UNDERSTOOD AS A 1 PAGE SUMMARY.

IF THE S.E.C. IS TRULY CONCERNED ABOUT THE CLIENT, THEN FULL-DISCLOSURE REGARDING "C" SHARES VERSUS MANAGED MONEY/MUTUAL FUND ACCOUNTS NEEDS TO BE EXPLAINED. TO MONEYS INSINUATE AND SHOW FORTH PROPOSALS WHERE THE "C" SHARE IS SUCH THE "BAD GUY" IS INAPPROPRIATE, LACKS RESPONSIBILITY, AND MOST OF ALL FAILS TO DISCLOSE WHERE THE S.E.C. WANTS THE INVESTMENT INDUSTRY TO GO.

NAME WITHHELD BY REQUEST.

SEE ATTACHMENTS

UNLESS RETIREMENT (R CLASS)
ACCOUNT

MANAGED MONEY/
MUTUAL FUND

MUST USE F SHARE - MUST ADD _____ TO BELOW FEE
CLASS

EQUITY AND BALANCED

FIXED INCOME, PREFERRED SECURITIES, AND
SPECIALTY PORTFOLIOS

Account Value	Standard Fee Range	Fee Range with 6-Point Grid Reduction	Fee Range with 12-Point Grid Reduction	Standard Fee Range	Fee Range with 6-Point Grid Reduction	Fee Range with 12-Point Grid Reduction
Up to \$250,000	3.00% - 2.00%	1.99% - 1.75%	1.74% - 1.50%	1.75% - 1.00%	0.99% - 0.82%	0.81% - 0.65%
\$250,001 - 500,000	3.00% - 1.90%	1.89% - 1.70%	1.69% - 1.50%	1.50% - 0.90%	0.89% - 0.78%	0.77% - 0.65%
\$500,001 - 1,000,000	2.70% - 1.60%	1.59% - 1.47%	1.46% - 1.35%	1.45% - 0.80%	0.79% - 0.73%	0.72% - 0.65%
\$1,000,001 - 2,000,000	2.40% - 1.30%	1.29% - 1.19%	1.18% - 1.08%	1.40% - 0.70%	N/A	N/A
\$2,000,001 - 3,000,000	2.10% - 1.05%	1.04% - 0.94%	0.93% - 0.84%	1.20% - 0.60%	N/A	N/A
\$3,000,001 - 5,000,000	2.00% - 1.00%	0.99% - 0.90%	0.89% - 0.80%	1.10% - 0.55%	N/A	N/A
\$5,000,001 - 10,000,000	1.90% - 0.95%	0.94% - 0.85%	0.84% - 0.76%	1.00% - 0.50%	N/A	N/A
\$10,000,001 +	Negotiable	N/A	N/A	Negotiable	N/A	N/A
Minimum Annual Fee		\$2,000		\$1,000	Fixed Income, Preferred Securities \$500 Specialty Portfolios	
Minimum Account Size		\$100,000*		\$100,000 taxable, \$250,000 tax exempt*	\$50,000 Specialty Portfolios	

*Select managers may have higher minimums.

1. Management Fee – Included above.
2. Billing Cycle – Solutions accounts are billed quarterly in advance during the first month of each quarter (January, April, July and October). The first billing cycle begins on the account inception date and runs through the quarter end.
3. Billing Value – The billing value is equal to closing market value of all securities on the last business day of the quarter.
4. Gross Commission – The entire quarterly fee, less the management fee (50 bp for equity and balanced, 35 bp for [REDACTED] and preferred securities, 25 bp for [REDACTED] and fixed income, and 5 bp for Russell Model Strategies, [REDACTED] Guided Portfolios, [REDACTED] Mutual Fund Portfolios, [REDACTED] Portfolio, and [REDACTED] Allocation Portfolios) is applied to gross commission the day after it is billed to the client.
5. Discounting below the fee schedule must be approved by the Complex Director and Regional Director using the Business Case Analysis Form found on the [REDACTED]
6. For assistance in pricing relationships > \$10 million contact your Manager Portfolio Strategies Consultant.
7. Employee Accounts (or related accounts for which the employee has beneficial interest) – All features and restrictions apply to employee accounts. FCs/Employees can select from the following options:
 - Price using the standard fee schedule. Account fee minimums of \$2,000 for equity/balanced, \$1,000 for fixed income/preferred securities and \$500 for Specialty Portfolios apply. FC receives payout.
 - Price at a 50% discount to the standard fee range (discount does not apply to management fee). For assistance with calculating the account fee minimum for specific money managers, please contact your regional Managed Portfolio Strategies Consultant. FC receives no payout.

UNLESS RETIREMENT (R SHARE)
ACCOUNT

MSD MONEY/
MUTUAL
FUND

MUST USE F SHARE CLASS - MUST ADD _____ TO BEND
FEE

INVESTMENT ALLOCATION

Account Value	Equities	Fixed Income, Funds, UITs, Alts., Cash	Standard Fee Range	Fee Range with 6-Point Grid Reduction	Fee Range with 12-Point Grid Reduction
\$25,000 - 250,000	100%	0%	2.75% - 1.00%	0.99% - 0.90%	0.89% - 0.80%
	80%	20%	2.50% - 0.90%	0.89% - 0.81%	0.80% - 0.72%
	60%	40%	2.25% - 0.80%	0.79% - 0.72%	0.71% - 0.64%
	40%	60%	2.00% - 0.70%	0.69% - 0.63%	0.62% - 0.56%
	20%	80%	1.75% - 0.60%	0.59% - 0.54%	0.53% - 0.48%
	0%	100%	1.50% - 0.50%	0.49% - 0.45%	0.44% - 0.40%
\$250,001 - 500,000	100%	0%	2.50% - 1.00%	0.99% - 0.90%	0.89% - 0.80%
	80%	20%	2.25% - 0.90%	0.89% - 0.81%	0.80% - 0.72%
	60%	40%	2.00% - 0.80%	0.79% - 0.72%	0.71% - 0.64%
	40%	60%	1.75% - 0.70%	0.69% - 0.63%	0.62% - 0.56%
	20%	80%	1.50% - 0.60%	0.59% - 0.54%	0.53% - 0.48%
	0%	100%	1.25% - 0.50%	0.49% - 0.45%	0.44% - 0.40%
\$500,001 - 1,000,000	100%	0%	2.25% - 1.00%	0.99% - 0.90%	0.89% - 0.80%
	80%	20%	2.03% - 0.90%	0.89% - 0.81%	0.80% - 0.72%
	60%	40%	1.81% - 0.80%	0.79% - 0.72%	0.71% - 0.64%
	40%	60%	1.59% - 0.70%	0.69% - 0.63%	0.62% - 0.56%
	20%	80%	1.37% - 0.60%	0.59% - 0.54%	0.53% - 0.48%
	0%	100%	1.15% - 0.50%	0.49% - 0.45%	0.44% - 0.40%
\$1,000,001 - 2,000,000	100%	0%	2.00% - 0.90%	0.89% - 0.81%	0.80% - 0.72%
	80%	20%	1.81% - 0.81%	0.80% - 0.73%	0.72% - 0.65%
	60%	40%	1.62% - 0.72%	0.71% - 0.65%	0.64% - 0.58%
	40%	60%	1.43% - 0.63%	0.62% - 0.57%	0.56% - 0.50%
	20%	80%	1.24% - 0.54%	0.53% - 0.49%	0.48% - 0.43%
	0%	100%	1.05% - 0.45%	0.44% - 0.41%	0.40% - 0.36%
\$2,000,001 - 3,000,000	100%	0%	1.75% - 0.80%	0.79% - 0.72%	0.71% - 0.64%
	80%	20%	1.59% - 0.72%	0.71% - 0.65%	0.64% - 0.58%
	60%	40%	1.43% - 0.64%	0.63% - 0.58%	0.57% - 0.51%
	40%	60%	1.27% - 0.56%	0.55% - 0.50%	0.49% - 0.45%
	20%	80%	1.11% - 0.48%	0.47% - 0.43%	0.42% - 0.38%
	0%	100%	0.95% - 0.40%	0.39% - 0.36%	0.35% - 0.32%

Results without CDSC do not reflect the contingent deferred sales charge. If the CDSC had been deducted, these results would have been lower. Results with CDSC reflect deduction of the 1% contingent deferred sales charge. Figures shown are past results and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Share prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely.

AVG = 1.53%

Class C share¹ total returns (higher expenses in lieu of a sales charge)

Investment results

As of September 30, 2010

Growth funds											
AMCAP Fund*	5/1/67	1.84	8.13	-5.65	0.78	1.23	10.85	7.13	1.56		
EuroPacific Growth Fund*	4/16/84	2.96	6.24	-5.37	5.02	4.40	11.68	5.24	1.63		
The Growth Fund of America*	12/1/73	1.25	6.99	-7.43	0.74	0.02	13.24	5.99	1.47		
The New Economy Fund*	12/1/83	3.97	7.67	-5.70	3.15	-0.11	10.25	6.67	1.69		
New Perspective Fund*	3/13/73	2.92	8.19	-4.77	4.30	3.74	12.22	7.19	1.59		
New World Fund*	6/17/99	11.14	16.87	-1.67	10.12	10.24	9.41	15.87	1.90		
SMALLCAP World Fund*	4/30/90	12.94	18.19	-5.92	5.04	2.47	9.19	17.19	1.88		
Growth-and-income funds											
American Mutual Fund*	2/21/50	3.64	10.89	-5.17	1.45	3.76	11.35	9.89	1.48	1.77	2.05
Capital World Growth and Income Fund SM	3/26/93	1.84	5.78	-6.50	3.82	6.42	10.76	4.78	1.61	1.80	1.83
Fundamental Investors SM	8/1/78	2.89	8.90	-6.99	2.12	2.42	11.98	7.90	1.48	0.87	0.65
International Growth and Income Fund SM	10/1/08	1.97	5.23	—	—	—	12.02	4.23	1.75	1.83	1.67
The Investment Company of America*	1/1/34	1.36	7.80	-7.55	0.43	1.54	11.90	6.80	1.46	1.33	1.24
Washington Mutual Investors Fund SM	7/31/52	3.80	11.40	-8.37	-0.09	2.15	11.46	10.40	1.50	1.91	1.71
Equity-income funds											
Capital Income Builder*	7/30/87	4.29	7.91	-5.05	3.04	6.24	9.37	6.91	1.47	2.69	3.15
The Income Fund of America*	12/1/73	6.04	11.77	-3.78	2.60	5.42	11.04	10.77	1.43	3.17	3.38
Balanced fund											
American Balanced Fund*	7/26/75	5.44	10.29	-2.99	2.17	4.79	10.41	9.29	1.45	1.09	1.39
Bond funds											
American High-Income Trust SM	2/19/88	10.16	15.80	4.63	5.68	6.25	8.17	14.80	1.51	6.03	6.61
The Bond Fund of America SM	5/28/74	8.11	9.12	2.42	3.02	4.51	8.24	8.12	1.44	1.87	2.94
Capital World Bond Fund*	8/4/87	7.02	6.79	5.58	5.62	7.34	7.10	5.79	1.67	1.82	2.88
Intermediate Bond Fund of America*	2/19/88	5.23	5.47	3.23	3.23	3.56	5.30	4.47	1.41	0.43	1.71
Short-Term Bond Fund of America SM	10/2/06	1.94	1.80	2.00	—	—	2.49	0.80	1.43	-0.34	0.60
U.S. Government Securities Fund SM	10/17/85	6.69	6.03	5.88	4.70	4.57	6.28	5.03	1.43	0.80	1.77
Tax-exempt bond funds											
American High-Income Municipal Bond Fund*	9/26/94	8.02	7.07	1.68	2.24	3.67	4.90	6.07	1.46	3.33	3.87
Limited Term Tax-Exempt Bond Fund of America SM	10/6/93	5.41	4.61	4.19	3.42	3.66	4.09	3.61	1.36	0.96	2.24
The Tax-Exempt Bond Fund of America*	10/3/79	6.16	4.91	3.87	3.35	4.19	6.68	3.91	1.34	2.07	3.03
The Tax-Exempt Fund of California*	10/28/86	8.14	6.00	3.83	3.23	3.95	5.43	5.00	1.42	2.38	3.10
The Tax-Exempt Fund of Maryland*	8/14/86	6.18	5.27	3.69	2.94	3.76	5.06	4.27	1.47	1.52	2.66
The Tax-Exempt Fund of Virginia*	8/14/86	5.88	4.88	4.19	3.36	3.85	5.22	3.88	1.46	1.46	2.67
Money market fund											
American Funds Money Market Fund*	5/1/09	0.00	0.00	—	—	—	0.00	-1.00	0.42	0.00/-0.21 ³	0.00 ⁴

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. Expense ratios are as of each fund's most recent fiscal year-end. From September 1, 2004, through December 31, 2008, the investment adviser to the American Funds and the business manager for The Tax-Exempt Fund of Maryland, The Tax-Exempt Fund of Virginia and Washington Mutual Investors Fund waived a portion of their management fees. The investment adviser has also reimbursed expenses for some funds. These reimbursements may be adjusted or discontinued by the investment adviser at any time. Although American Funds Money Market Fund has 12b-1 plans for some share classes, the fund is currently suspending certain 12b-1 payments in this low interest rate environment. Should payments commence, the fund's investment results will be lower. Investment results reflect the waiver and/or reimbursements, without which the results would have been lower. Please see each fund's most recent shareholder report or prospectus for details.

¹Class C shares were first offered on March 15, 2001. Class C share results prior to the date of first sale are hypothetical based on Class A share results without a sales charge, adjusted for estimated additional annual expenses. Results for certain funds with an inception date after March 15, 2001, also include hypothetical returns because those funds' Class C shares sold after the funds' date of first offering. Class C shares convert to Class F-1 shares after 10 years. Please see americanfunds.com for more information on specific expense adjustments and the actual dates of first sale.

²Two SEC yields are shown for some funds. The first number reflects an expense reimbursement; the second does not.

³Annualized seven-day SEC yield, which more accurately reflects the fund's current earnings than does total return.

⁴Annualized seven-day distribution rate.

When quoting results for Class C shares, use a current quarterly statistical update.