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December 31, 2021

Ms. Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

RE: Proposed Amendments to the Electronic Recordkeeping and Prompt Production of Records Requirements (Release No. 34-93614; File No. S7-19-2)

Dear Ms. Countryman:

We appreciate the opportunity to comment on the above referenced rule proposal (the "Proposal"). We strongly support the Commission's efforts to modernize the electronic recordkeeping rules for broker-dealers.

American Funds Distributors, Inc., a registered broker-dealer, is part of The Capital Group Companies, Inc., one of the oldest and largest privately held investment management organizations in the United States with more than 90 years of investment experience. Through our investment adviser affiliates, we actively manage equity and fixed income investments across all market sectors in various collective investment vehicles and institutional client separate accounts. The vast majority of these assets consist of the American Funds family of mutual funds as well as other U.S. regulated investment companies for which American Funds Distributors serves as principal underwriter and distributor.

The current rules regarding electronic storage and production have not kept up with current technology, and we support efforts to develop standards that are technology neutral. In our experience the requirements of the current rule, particularly the requirement to store records in a write once read many format (WORM), have resulted in the implementation of complex procedures that do not serve the purposes for which the rule was designed. For example, many of our records are stored in systems that do not meet the WORM standards. As a result, we transfer records to a WORM compliant system, which is not as user friendly as the native systems used by the business on a day-to-day basis.

We support the comments by SIFMA in its letter regarding the Proposal.¹ In particular, we believe that the audit trail requirements should be modified to permit broker-dealers to maintain a log of all changes to the record rather than requiring each iteration of a record to be reproduced. A log of changes allows the Commission to view any modifications made to records while avoiding the administrative burden of attempting to recreate data at a particular point in time.

¹ See Letter to Vanessa Countryman, Secretary, Securities and Exchange Commission, from Melissa MacGregor, Managing Director and Associate General Counsel, SIFMA (December 22, 2021)

We also recommend the Commission allow broker-dealers to designate more than one officer to complete the undertaking in 17a-4(f)(3)(vii). Because we are a larger organization it may make more sense to designate different individuals based on their experience with a particular record. In addition, the requirement for the senior officer to have independent access should be modified to allow for designation of access. In an organization the size of ours, different individuals are responsible for retention of records and may need to assist in retrieval of the record. For example, it is common for our compliance department to work with information technology associates to retrieve electronic records. Accordingly, we think it is prudent for the individual or individuals executing the undertaking to designate others to access and retrieve records.

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If you have any questions regarding our comments, please feel free to contact William C. Anderson at [REDACTED] or Timothy W. McHale at [REDACTED]

Sincerely,

William C. Anderson

William C. Anderson
Senior Vice President and Chief Compliance Officer
American Funds Distributors, Inc.

Timothy W. McHale

Timothy W. McHale
Secretary
American Funds Distributors, Inc.

cc: The Hon. Gary Gensler, Chairman
The Hon. Hester M. Peirce, Commissioner
The Hon. Elad L. Roisman, Commissioner
The Hon. Allison Herren Lee, Commissioner
The Hon. Caroline Crenshaw, Commissioner
Michael Macchiaroli, Associate Director, Division of Trading and Markets
Thomas McGowan, Associate Director, Division of Trading and Markets
Randall Roy, Associate Director, Division of Trading and Markets