



June 29, 2004

Securities and Exchange Commission

Re: File No. S7-10-04

As Director of Investor Relations for Southern Company, a company listed on the New York Stock Exchange (SO), and a registered voter in the state of Georgia, I am writing to express my concern regarding a Securities and Exchange Commission proposal which could substantially weaken an important element of investor protection; which is the proposal in File No. S7-10-04.

The trade-through rule provides investors the assurance that they will receive the best price when buying and selling shares of NYSE listed companies. This principle has served the financial markets well for several decades. The trade-through rule ensures that all orders compete on the basis of price, no matter the size. The vibrancy of our securities markets derives largely from the liquidity that price competition creates and to the extent that investors are willing to offer better prices their orders should not be ignored.

The SEC proposal would allow institutions to "opt out" of the trade-through rule. This means those institutions would have the right to execute orders at something other than the best price on behalf of their investors. Professional traders would be encouraged to internalize their customer order flow and taking liquidity out of the market will raise trading costs, widen quoted spreads, and increase volatility. Instituting an "opt-out" exception would create an endorsement for the position that price does not matter even when speed and anonymity are relatively equal between markets. The least sophisticated investors, including those investing in mutual funds, are at the greatest risk.

When liquidity is fragmented across multiple trading venues the cost of raising capital increases impacting issuers and investors. This is a matter of significance for the American economy broadly as the cost of capital directs our ability to invest in jobs, research and development, expansions and acquisitions.

With investor confidence being very tentative due to recent events I believe we should do everything we can to restore this confidence. I believe investors want to receive the best price possible, so I ask that you work to keep the best price provisions of the trade-through rule as it is today.

Sincerely,

Glen A. Kundert
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