

TO: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

FROM: Atlanta Capital Management Co., L.L.C.

SUBJECT LINE: File No. S7-10-04

We are writing on behalf of Atlanta Capital Management Co., L.L.C., an investment advisor since 1969. Atlanta Capital manages over of \$9 billion for a diverse group of institutional clients that include Public Funds, Taft-Hartley Plans, Corporate Retirement Plans, Endowments, Foundations, Hospitals, Religious Organizations, and Mutual Fund Sub-Advisory relationships.

The Commission's proposed NMS Regulation contains a fair access provision that – depending on how it is ultimately worded and interpreted – might apply to institutional block trading venues, such as Harborside, Liquidnet, Pipeline, and POSIT. An unintended consequence of the fair access provision would likely be to render current Alternative Trading Systems useless and could possibly discourage the development of new Alternative Trading Systems.

Atlanta Capital uses Alternative Trading Systems because they are an effective venue for executing block trades with an opportunity for price improvement and reduced market impact costs. Several academic research studies have demonstrated the existence of execution cost savings using these types of systems for institutional trading. Cost savings that we achieve through these systems benefit our clients and their plan participants.

We do not believe the Commission intends to require such trading venues to “admit” retail customers, nor do we believe such admission would be realistic or feasible. As a result, we believe that, if the Commission adopts Regulation NMS, it should clarify that its fair access provision will not apply to these trading venues. A contrary conclusion would not protect those shareholders to whom we owe critical fiduciary responsibilities.

We hope that the SEC will consider our input on this matter.

Very truly yours,

Dallas Lundy  
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Director of Equity Trading  
Atlanta Capital Management Co., L.L.C.

Joseph Roman  
Vice President  
Trader  
Atlanta Capital Management Co., L.L.C.