



Executive Stock Ownership Requirements

Effective January 1, 2006, the Compensation and Management Succession Committee of the Board of Directors adopted executive stock ownership guidelines.

All officers in a position of Vice President or above are required to own Southern Company common stock having a market value equal to or greater than the following multiples of their base salary by the later of September 30, 2011 or within five years of first obtaining a position subject to the guidelines:

Chairman and CEO, Southern Company: Five times annual base salary if stock options are not counted or ten times annual base salary counting one-third of vested stock options.

Presidents, Subsidiary Companies, and Executive Vice Presidents: Three times annual base salary if stock options are not counted or six times annual base salary counting one-third of vested stock options.

Senior Vice Presidents: Two times annual base salary if stock options are not counted or four times annual base salary counting one-third of vested stock options.

Vice Presidents: One times annual base salary if stock options are not counted or two times annual base salary counting one-third of vested stock options.

For purposes of these guidelines, the following are considered as stock owned by the officer:

- Stock held in any defined benefit, contribution, ESOP or other stock-based plan
- Common stock units held in any Company-sponsored non-qualified deferred compensation plan
- Stock beneficially owned by the officer, outside of Company-sponsored plans
- One-third of vested stock options; however, if stock options are counted, the ownership target is doubled, as noted above.

When an affected officer reaches the age of 60, the stock ownership guideline is reduced by one-half.