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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RFC Capital Corporation

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March 13, 2001

Michael K. Powell
Chairman
Federal Communications Commission
Room A201
445 12th St., SW
Washington, D.C. 20544

EX PARTE OR LATE FILED

Re: CC Docket No. 96-98

Dear Chairman Powell:

RFC Capital Corporation, a subsidiary of Textron Financial Corporation, is a specialty lender serving the needs of high-growth companies in the telecommunications, Internet and related industries.

We lend to numerous telecommunications companies offering local and long distance voice services and Internet-based communications features. These companies primarily service small- to medium-sized businesses, many of which utilize Unbundled Network Elements ("UNEs") including UNE-P and Unbundled Local Switching ("ULS") as important elements in the initial phase of their business plans. By eliminating the necessity to build proprietary networks in the early stages of the business, competitive local and long distance companies are better able to manage their corporate debt, thus increasing their long-term viability through the availability of these ULS provisions.

We urge the Commission to encourage competition in the telecommunications industry by the removing the current restrictions on ULS availability in the 50 largest MSAs.

Respectfully,

Gary L. Kovach
Senior Director - Business Development

Cc: Commissioner Susan Ness
Commissioner Harold Furchtgott-Roth
Commissioner Gloria Tristani
Mr. Kyle D. Dixon

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