

Continental Illinois

November 14, 2011

Federal Communications Commission
c/o Julius Genachowski, Chairman;
Michael J. Copps, Commissioner;
Robert M. McDowell, Commissioner;
Mignon Clyburn, Commissioner

COMPLAINT AGAINST VERIZON CORPORATION 11/14/2011

Dear Sirs and Madam:

Over the past couple of days, in connection with our efforts to potentially acquire the New York City payphones division of Verizon, the Verizon Corporation has made clear its unwillingness to execute gateway type agreements which would lead to negotiation of the acquisition " unless we agree to language which gives Verizon the unilateral right to demand that all documentation regarding the transaction be destroyed at the direction of Verizon. This is a grossly improper Verizon corporation policy, and the FCC should be made aware of it; made aware of it as an autonomous problem, and also in connection with Verizon's current hostility to "open internet" legislation.

It is beyond absurd for Verizon to demand the right to destroy commercial documents associated with business activity it is involved with, and that other firms are involved with. It is in the zone of seriously unethical, and very poor business practice. What if in connection with this proposed transaction, we negotiated with a pension fund to be a corporate financial partner ? That source of funding, and others including banks, are not in the habit of destroying company documents; not to mention our own firm's records retention policy, and the ethical underpinnings of that records retention policy.

What kind of demand is this on the part of Verizon ? And, it is not some small error in judgement on the part of a junior level staffer ---- it is serious top-level Verizon corporate policy, enunciated in writing by the authority of Stephen E. Smith, Verizon Vice President for Corporate Development (we will furnish the document to any party seeking verification of this Complaint), apparently working with the Verizon Law Department and/or outside counsel.

Furthermore it is truly cynical and hypocritical that Verizon would be arguing for internet "net neutrality" in its current litigation against the FCC when it is on a policy basis forcing small and midsize companies to agree to contracts that force the smaller companies to represent in writing that their electronic communications and data storage is transmitted only through the United States. The internet being what it is, with transmissions routinely routed by satellites in space and a multitude of American and non-American mainframe data center nodes ---- how can a small or mid-size firm that is a responsible user of the internet for business, how can a small or midsize firm represent to Verizon that the electronic transmissions of the internet which are used for data transmission to and from Verizon are exclusively in the United States ? It is literally impossible, and combined with the Verizon destruction-of-records policy, raises serious questions about the business ethics and frankly, about the common-sense of Verizon. Is this their idea of "Net Neutrality" ? Making it impossible or prohibitive for small and midsize firms to use the internet in a normal and responsible fashion ? Forcing small and midsize companies to destroy their records ?

The United States of America does not give large utility companies the right to force smaller firms to destroy their records.

Cordially,

Matthew W. Lechner

Chartered Retirement Plans Specialist, certified Financial Risk Manager

Chairman of the Board

CONTINENTAL ILLINOIS HOLDING CORPORATION

6 The Mews, Westport; CT 06880-4410

www.ContinentalIllinois.com MWL@ContinentalIllinois.com

Fax (203) 557-0208 Tel. (203) 979-6146