

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
: RCN CORPORATION, et al., : Case No. 04-13638
: Debtors. : (Jointly Administered)
: :
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**INTERIM ORDER UNDER 11 U.S.C. §§ 327(a) AND 329
AND FED. R. BANKR. P. 2014 AND 2016 (A) AUTHORIZING
RETENTION OF SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
AS ATTORNEYS FOR THE DEBTORS AND (B)
SCHEDULING FINAL HEARING THEREON**

Upon the application (the "Application")¹ of the Debtors for entry of an order under 11 U.S.C. §§ 327(a) and 329 and Fed. R. Bankr. P. 2014 and 2016 authorizing the retention of Skadden, Arps, Slate, Meagher & Flom LLP and its affiliated law practice entities under a general retainer as attorneys for the Debtors, as of the Petition Date, and scheduling a final hearing thereon; and the Court having reviewed the Application, the Horvat Affidavit and the Goffman Affidavit, and the Court being satisfied with the representations made therein that Skadden, Arps represents no interest adverse to the Debtors' estates, that it is a "disinterested person" as that term is defined in Bankruptcy

¹Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Application.

Code section 101(14), as modified by Bankruptcy Code section 1107(b), and that its retention is necessary and in the best interests of the Debtors, their estates, creditors, and parties in interest; and it appearing that notice of the Application was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED and DECREED that:

1. The Application is GRANTED on an interim basis.
2. Pursuant to Bankruptcy Code sections 327(a) and 329, the Debtors, as debtors-in-possession, are hereby authorized to employ and retain Skadden, Arps as their attorneys, effective as of the Petition Date, in accordance with the Application and this interim order, and Skadden, Arps is authorized to perform the services described therein.
3. Skadden, Arps shall be compensated in accordance with the Application, subject to applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the Southern District of New York, guidelines established by this Court, the United States Trustee Fee Guidelines, and the orders of this Court governing professional compensation in these cases.

4. Skadden, Arps is authorized to apply the amounts presently held as a retainer to pay any fees, charges and disbursements relating to services rendered to the Debtors prior to the Petition Date that remain unpaid as of such date and to hold any balance as a postpetition retainer to be applied towards unpaid fees, expenses and disbursements approved by the Court in connection with Skadden Arps' final fee application in these cases.

5. This interim order shall remain in full force and effect until such time as the Court approves a final order.

6. The Debtors shall serve a notice of the entry of this interim order substantially in the form attached hereto as Exhibit A (the "Notice") on (a) the Office of the United States Trustee for the Southern District of New York; (b) any committee appointed under Bankruptcy Code section 1102; (c) counsel for the Debtors' secured lenders (or agents in respect thereof, as the case may be); (d) holders of the 17 general unsecured claims against the Debtors' estates; (e) the indenture trustees or transfer agents for any class or series of RCN common or preferred stock or any bonds or debentures of the Debtors; and (f) counsel to the unofficial committee of noteholders. Notice served pursuant to the preceding sentence shall be via first class mail, postage prepaid. No further notice of entry of this interim order need be served by the Debtors.

7. Objections, if any, to approval of the Application on a final basis must be in writing and timely filed in accordance with the requirements set forth in the Notice. If timely written objections are received there shall be a hearing held on June 22, 2004 at 10:00 a.m. to determine whether to approve, on a final basis, the retention of Skadden, Arps on the terms described in the Application.

8. If no written objections to Skadden, Arps' retention are timely filed, served and received in accordance with the Notice and this interim order, a final order will be submitted which will provide that the Application shall be granted in its entirety.

9. The requirement of Local Bankr. R. 9013-1(b) that any motion filed shall be accompanied by a separate memorandum of law is satisfied by the Application.

Dated: New York, New York
June 3, 2004

/s/ ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A