

6/2/06

**LEASE TERMINATION AND RECOGNITION AGREEMENT**

THIS LEASE TERMINATION AND RECOGNITION AGREEMENT (this "Agreement") dated as of October 4, 2004, by and between CONSOLIDATED EDISON CO. OF NEW YORK, INC., having an address at 4 Irving Place, New York, New York 10003 ("Landlord") and RCN TELECOM SERVICES, INC., having an address at 105 Carnegie Center, Princeton, New Jersey 08540 ("Tenant").

**WITNESSETH**

WHEREAS, Tenant is the tenant under that certain lease dated as of August 23, 2000 (together with any amendments thereto and modifications thereof, the "Lease") between Landlord, as landlord, and RCN Telecom Services of New York, Inc., Tenant's predecessor-in-interest, as tenant, covering six entire floors and part of the seventh floor in the building (the "Building") known as 118-29 Queens Boulevard, Forest Hills, New York 11375, all as more particularly described in the Lease (the "Lease Premises");

WHEREAS, Tenant, as sublandlord, and JetBlue Airways Corporation, as subtenant ("Subtenant"), entered into that certain sublease dated as of June 10, 2002 (as amended by that certain first amendment to sublease dated as of July 11, 2002; that certain second amendment to sublease dated as of October 16, 2002; and that certain third amendment to sublease dated as of November 7, 2003, together with all other amendments thereto and modifications thereof consented to by Landlord, the "Sublease"); and

WHEREAS, Landlord has agreed to: (i) terminate the Lease and accept Tenant's surrender of the Lease Premises subject to the Sublease; and (ii) recognize Subtenant as its tenant under the Sublease; the Sublease becoming a direct lease between Landlord and Subtenant, as hereinafter provided.

NOW, THEREFORE, in consideration of Tenant's payment of Surrender Consideration (as hereinafter defined), timely delivery by Tenant of the other documents required by Landlord and other good and valuable mutual consideration, the receipt and sufficiency of which is hereby mutually acknowledged, Landlord and Tenant hereby agree as follows:

1. - - All words, terms or phrases used in this Agreement and defined in the Lease and the Sublease shall have the meanings herein that are respectively ascribed to them in the Lease and the Sublease unless herein otherwise expressly specified.

2. A) The Lease shall be and be deemed to be cancelled and terminated as between the parties to this Agreement with the same force and effect as if the Effective Date were the originally scheduled date for the expiration of the Lease on and as of the date on which the last of the following is received by Landlord (the "Effective Date"); Tenant obtains Bankruptcy Court approval of this Agreement as provided in paragraph 11 hereof, payment as provided in paragraph 4 is made in immediately available funds, the letter of credit pursuant to section 11 of the Sublease in the amount of \$2,140,090.80 has been received by Landlord and Subtenant has executed and delivered a written confirmation of its agreement to attorn to Landlord that is reasonably satisfactory to Landlord including a statement that the Sublease will become a direct lease between Landlord and Subtenant upon notice by the parties to this

Agreement. Tenant hereby agrees to surrender possession of the Lease Premises subject to the Sublease to Landlord on or prior to the Effective Date.

B. Tenant: represents to Landlord that Subtenant has not terminated the Sublease pursuant to the Termination Option as provided in section 16 of the Sublease and that Subtenant's right to terminate the Sublease pursuant to the Termination Option expired on September 1, 2004.

3. Effective from and after the Effective Date, Landlord agrees to recognize Subtenant as its tenant under the Sublease on all of the terms, provisions, covenants and conditions set forth in the Sublease as if the Sublease were a direct lease between Landlord, as landlord, and Subtenant, as tenant.

4. In consideration of Landlord's: (i) execution and delivery of this Agreement; and (ii) agreement to terminate the Lease as provided herein, Tenant and Guarantor collectively agree to pay Landlord, within ten (10) days after the date Tenant obtains Bankruptcy Court approval of this Agreement as provided in paragraph 11 hereof, the aggregate sum of \$1,700,000.00 less any rent paid by Tenant to Landlord in respect of the period from September 1, 2004 through the Effective Date that is in excess of the rent payable under the Sublease for the same period (the "Surrender Consideration").

5. Except as otherwise expressly provided herein, Landlord hereby as of the Effective Date: (i) releases: (a) Tenant of and from any and all liability and obligations (whether or not presently existing) under, in connection with or in any way relating to the Lease, the Sublease and/or any of the transactions or matters contemplated therein except for any liability or obligations due to claims by third parties based on occurrences prior to the Effective Date; and (b) RCN Corporation ("Guarantor") of and from any and all liability and obligations (whether or not presently existing) under, in connection with or in any way relating to that certain Guarantee Agreement dated as of August 21, 2000 (the "Guaranty"); and (ii) confirms that the Guaranty is hereby terminated and without any further force of effect, provided that the requirements of paragraph 2 hereof have been met.

6. Tenant hereby releases Landlord of and from any and all liability and obligations (whether or not presently existing) under, in connection with or in any way relating to the Lease, the Sublease and/or any of the transactions or matters contemplated therein.

7. All notices provided for or permitted to be given or made pursuant to this Agreement shall only be deemed to have been adequately given if in writing and delivered by either: (i) registered or certified mail, postage prepaid, in which case notice shall be deemed to have been received three (3) business days following the date same is deposited with the U.S. Postal Service; or (ii) nationally recognized overnight courier, next day delivery, prepaid, in which case notice shall be deemed to have been received one (1) business day following the date same is delivered to such nationally recognized overnight courier. All notices shall be addressed to the intended recipient at the address set forth below, or to such other address as may from time to time be specified in notice given to the other party by Landlord or Tenant:

If to Landlord:

Consolidated Edison Company of New York, Inc.  
4 Irving Place, Suite 206-S  
New York, New York 10003  
Attn: Real Estate Department

If to Tenant:

RCN Telecom Services Inc.  
105 Carnegie Center  
Princeton, New Jersey 08540  
Attn: James P. Herring

8. Within ten (10) days after the Effective Date, Tenant agrees to pay Landlord the sum of \$5,000.00 on account of Landlord's legal fees relating to this Agreement.

9. Each of Landlord and Tenant hereby acknowledges, confirms, covenants, represents and warrants to the other that it has the full right, power and lawful authority to enter into this Agreement and perform its respective covenants and obligations hereunder.

10. Each of Landlord and Tenant represents, warrants and confirms to and for the benefit of the other that it has not dealt with any broker or agent in connection with this Agreement and the matters contemplated hereby. The provisions of this paragraph shall survive the Effective Date and the termination of the Lease.

11. This Agreement is executed and delivered by Landlord and Tenant subject to the approval of the Bankruptcy Court in which Guarantor's bankruptcy case is pending. Promptly following the mutual execution and delivery of this Agreement by Landlord and Tenant, Tenant agrees, at its cost and expense, to apply to the Bankruptcy Court for its approval of this Agreement.

12. Notwithstanding anything set forth herein to the contrary, in the event that Tenant fails to meet the requirements of paragraph 2 of this Agreement by December 31, 2004 time being of the essence: (i) this Agreement shall ipso facto be deemed to be null and void ab initio; (ii) neither Landlord nor Tenant shall have any further rights, obligations or liabilities hereunder; and (iii) the Lease, the Sublease and the Guaranty shall each continue on all of the respective terms, provisions, covenants and conditions then in effect thereunder as if this Agreement had never been entered into by the parties hereto.

13. This Agreement shall bind and inure to the benefit of Landlord, Tenant and Guarantor and their respective successors and assigns. All understandings and agreements between Landlord and Tenant with respect to the surrender of the Lease Premises, the termination of the Lease and Landlord's recognition of Subtenant as its direct tenant on the terms and provisions of the Sublease are merged into this Agreement, which alone fully and completely expresses the agreement of the parties hereto with respect to the subject matter hereof.

14. This Agreement: (i) shall be governed and construed solely in accordance with the internal laws of the State of New York without regard to principles of conflicts of laws; (ii) may not be changed, modified or cancelled orally or by course of conduct, but only by an agreement in writing executed by the party to be charged; and (iii) shall not become binding or effective for any purpose until mutually executed and delivered by Landlord and Tenant.

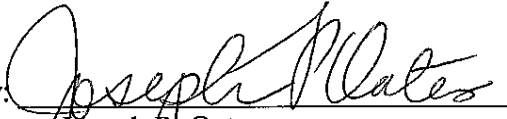
14. This Agreement may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

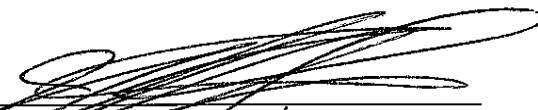
Landlord:

CONSOLIDATED EDISON CO. OF  
NEW YORK, INC.

By:   
Joseph P. Oates  
Vice President and Treasurer

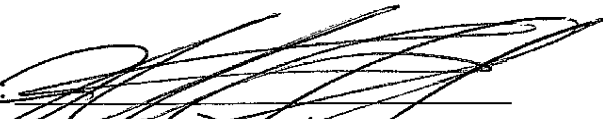
Tenant:

RCN TELECOM SERVICES INC.

By:   
Name: John Dubel  
Title: Chief Restructuring Officer

The undersigned Guarantor hereby consents to:  
(i) Tenant's surrender of the Lease Premises to  
Landlord; and (ii) the termination of the Lease as  
provided hereinabove:

RCN CORPORATION

By:   
Name: John Dubel  
Title: Chief Restructuring Officer

STATE OF NEW YORK )  
 : ss.:  
COUNTY OF NEW YORK )

On this 5<sup>th</sup> day of October, 2004, before me the undersigned, personally appeared Joseph P. Dates, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Charles J. Gallagher  
Notary Public

CHARLES J. GALLAGHER  
Notary Public, State of New York  
No. 01GA4694445  
Qualified in Queens County  
Commission Expires Sept. 30, 2005

STATE OF NEW JERSEY )  
 : ss.:  
COUNTY OF MERCER )

On this 4<sup>th</sup> day of October, 2004, before me the undersigned, personally appeared John Dubel, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

DAVID F. KUNZ  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES OCT 24, 2004

David F. Kunz  
Notary Public

STATE OF NEW JERSEY )  
 : ss.:  
COUNTY OF MERCER )

On this 4<sup>th</sup> day of October, 2004, before me the undersigned, personally appeared John Dubel, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

DAVID F. KUNZ  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES OCT 24, 2004

David F. Kunz  
Notary Public

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