

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
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RCN CORPORATION, <u>et al.</u> ,	:	Case No. 04-13638 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**ORDER UNDER 11 U.S.C. § 363(b) AND BANKRUPTCY RULE 9019  
AUTHORIZING AND APPROVING PARTIAL ASSIGNMENT OF  
LEASE AND ASSIGNMENT OF SUBLEASES AGREEMENT**

Upon the motion (the "Motion")<sup>1</sup> of the Debtors for entry of an Order Under 11 U.S.C. § 363(b) and Rule 9019 of the Federal Rules of Bankruptcy Procedure Authorizing and Approving the Partial Assignment of Lease and Assignment of Subleases Agreement; and the Court having reviewed the Motion; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and it appearing that notice of the Motion was good and sufficient under the particular circumstances and that no other and further notice be given; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby:

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<sup>1</sup> Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

FOUND AND DETERMINED THAT:

A. The terms of the Agreement are fair and reasonable, were negotiated in good faith and at arms' length, and constitute a sound exercise of the Debtors' business judgment;

B. RCN Telecom is a wholly owned subsidiary of RCN, and both RCN and RCN Telecom's entry into the Agreement is important to the Debtors' overall restructuring efforts;

C. The release of certain of RCN Telecom's and the Debtors' long term obligations under the Master Lease and Guaranty represents a significant benefit to the Debtors' estates; and

D. The consideration provided by RCN Telecom and the Debtors under the Agreement in exchange for the release of certain long term obligations under the Master Lease and Guaranty constitutes reasonably equivalent value for such releases; and it is therefore

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED.
2. Pursuant to 11 U.S.C. § 363(b) and Bankruptcy Rule 9019, the Agreement is hereby authorized and approved.

3. RCN is hereby authorized and directed, and is authorized and directed to cause its subsidiary RCN Telecom, to implement, effectuate, and pay the consideration under, the Agreement.

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

Dated: New York, New York  
October 27, 2004

/s/Robert D. Drain  
UNITED STATES BANKRUPTCY JUDGE