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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 (RDD)
Debtors. : (Jointly Administered)
----- X

**EX PARTE MOTION FOR AN ORDER APPROVING
SHORTENED NOTICE AND OBJECTION PROCEDURES WITH
RESPECT TO DEBTORS' MOTION FOR ORDER UNDER 11 U.S.C. §§ 105(a),
363(b), 503(b) AND 507 AUTHORIZING, APPROVING, AND RATIFYING (I) COMMIT-
MENTS FOR CONVERTIBLE SECOND-LIEN NOTES, (II) PLACEMENT AGENT
AGREEMENT, AND (III) PAYMENT OF RELATED FEES AND EXPENSES**

RCN Corporation ("RCN") and certain of its direct and indirect subsidiaries, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), hereby move for entry of an order shortening time (the "Motion to Shorten Notice") for the hearing on their Motion for Order Under 11 U.S.C. §§ 105(a), 363(b), 503(b) and 507 Authorizing, Approving, and Ratifying (I)

Commitments for Convertible Second-Lien Notes, (II) Placement Agent Agreement, and (III) Payment of Related Fees and Expenses (the "Motion").

RELIEF REQUESTED

1. The Debtors request approval of shortened notice and objection procedures for the Motion in accordance with section 102 of the Bankruptcy Code, this Court's Order Under 11 U.S.C. §§ 102 and 105 and Fed. R. Bankr. P. 2002, 9006 and 9007 Establishing Certain Notice, Case Management and Administrative Procedures (the "Case Management Order"), and Bankruptcy Rules 2002, 9006, and 9007. Specifically, the Debtors request that the hearing on the Motion be scheduled for November 16, 2004, at 10:00 a.m., with objections due by November 15, 2004, at 4:00 p.m.

BASIS FOR RELIEF

2. Bankruptcy Rule 2002(a)(2) requires that notice of the proposed use of estate property outside the ordinary course of business be afforded to all creditors and other parties in interest. The hearing on such proposed use may not occur on less than 20 days notice. However, Rules 2002(a)(2) and 9006(c) authorize this Court to shorten the 20 day notice period and limit the parties to whom notice must be given "for cause." Similarly, this Court's Case Management Order, which sets hearing dates and notice deadlines for presenting matters in connection with such dates, allows matters to be heard on shortened time "for cause."

3. Shortly after commencement of these chapter 11 cases, this Court entered an order approving various commitments and related agreements for an exit financing facility that is integral to the Debtors' restructuring efforts. However, as described in the disclosure statement accompanying the Debtors' proposed plan of reorganization recently approved by this Court, the Debtors have been considering alternative exit financing structures which, if implemented, would alter certain terms of the previously-approved exit financing facility. After lengthy and arduous negotiations, the Debtors are now very close to finalizing the material terms upon which reorganized RCN will issue Convertible Second-Lien Notes, as defined in the disclosure statement, in lieu of the Second Lien Notes, also as defined in the disclosure statement and that were contemplated by the original exit financing.

4. The Motion, which is not yet finalized but which the Debtors anticipate being prepared to file and serve on or before November 2, 2004, requests approval of the Convertible Second-Lien Notes alternative. That alternative is described in considerable detail in pages 8 through 12 of the disclosure statement, and the Motion requests approval of commitments and related agreements substantially identical to such description.

5. In this motion, the Debtors request authority for a hearing on the Motion on less than 20 days' notice. There is cause for doing so as contemplated by the Rules and this Court's Case Management Order. As an initial matter, the

parties have worked exhaustively to finalize the key terms of the Convertible Second-Lien Notes. They will have to continue their efforts, including the expenditure of professional fees and related expenses, as they work towards definitive documentation. These efforts, fees, and expenses are significant, and the Debtors' new exit lenders with respect to the Convertible Second-Lien Notes desire the protection of an order from this Court as expeditiously as possible that approves various fees and expense reimbursements contemplated by the parties' agreements. In light of the value added to these estates by this financing alternative, the Debtors believe that expeditious approval is warranted.

6. Moreover, in accordance with the solicitation procedures entered by this Court, the deadline for the Debtors to file plan supplement documents is November 19, 2004. On that date, the Debtors must file forms of agreements pertaining to a host of matters, including their contemplated exit financing facility. That day is only three business days after the requested hearing on the Motion of November 16, 2004. All the parties collectively desire entry of an order approving this alternative financing structure prior to the plan supplement deadline, and the Debtors believe that this is a reasonable position for all constituencies involved. Indeed, the proposed exit lenders have advised the Debtors that an order must be entered by November 16, 2004, as a condition to the effectiveness of their commitments.

7. Finally, this motion is not the result of any lack of diligence on the part of the Debtors or any party in interest. The Debtors, the Creditors' Committee, and the proposed exit lender have undertaken extensive efforts to negotiate and agree upon the key terms of the Convertible Second-Lien Notes. The terms are complicated, the dollar amounts involved are significant, and the efforts have taken considerable time to ensure that all rights and interests are properly protected.

8. The United States Trustee for the Southern District of New York and the Creditors' Committee have indicated to the Debtors that they will not object to shortened notice. The Debtors therefore believe that the notification and objection procedures described herein strike a fair balance between ensuring that the Debtors are able to obtain the exit financing necessary to consummate the plan, and affording those parties that may have an objection to the Motion a fair opportunity to raise any objection they may have thereto.

9. The Debtors submit that no new or novel issue of law is presented with respect to the matters contained herein. Thus, the Debtors request that the requirement of the service and filing of a separate memorandum of law under Local Bankr. R. 9013-1(b) be deemed satisfied.

WHEREFORE, the Debtors respectfully request that the Court enter an order shortening time for the hearing on the Motion so that it may be heard on November 16, 2004 at 10:00 a.m., with objections due by November 15, 2004, at 4:00 p.m.

Dated: New York, New York
November 1, 2004

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