

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)
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**ORDER UNDER 11 U.S.C. §§ 105 AND 363 AUTHORIZING
PAYMENT OF EXPENSES OF TEJAS SECURITIES GROUP, INC.
IN CONNECTION WITH POTENTIAL PURCHASE
OF CONVERTIBLE SECOND-LIEN NOTES**

Upon the motion (the "Motion")¹ of the Debtors for entry of an Order under 11 U.S.C. §§ 105 and 363 Authorizing Payment of Expenses of Tejas Securities Group, Inc. in Connection with Potential Purchase of Convertible Second-Lien Notes; and the Court having reviewed the Motion, and the Court being satisfied that it is necessary and in the best interests of the Debtors, their estates, creditors, and parties in interest; and it appearing that notice of the Motion 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

¹ Unless otherwise defined herein, capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED.
2. The Debtors' decision to utilize estate funds to pay the Diligence Fee is reasonable and appropriate under the circumstances, and the Debtors' payment of the Diligence Fee, in accordance with the Motion, is authorized hereby.
3. The requirements of Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York for the filing of a memorandum of law is waived.

Dated: New York, New York
_____, 2004

UNITED STATES BANKRUPTCY JUDGE