

UNITED STATES BANKRUPTCY COURT
Southern District of New York

In re: RCN Corporation
Debtor.

Chapter 11
Case Number: 04-13638(RDD)

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs.

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within the six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101.

None



1. Income from employment or operation of business

State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of debtor's business from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed).

2. Income other than from employment or operation of business

None

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State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed).

SEE ATTACHMENT 2

3. Payments to Creditors

None

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a. List all payments on loans, installment purchases of goods or services, and other debts, aggregating more than \$600 to any creditor, made within **90 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

Payments may have been made on behalf of the Debtor by non-debtor affiliates.

None

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b. List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

Payments may have been made on behalf of the Debtor by non-debtor affiliates.

None

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4. Suits, executions, garnishments, and attachments

a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

SEE ATTACHMENT 4a

None

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b. Describe all property that has been attached, garnished, or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

5. Repossessions, foreclosures, and returns

None



List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

6. Assignments and receiverships

None



a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

None



b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

7. Gifts

None



List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

Payments may have been made on behalf of the Debtor by non-debtor affiliates.

8. Losses

None



List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

9. Payments related to debt counseling or bankruptcy

None



List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, or consultation concerning debt consolidation, relief under the bankruptcy laws, or preparation of a petition in bankruptcy within **one year** immediately preceding the commencement of this case.

Payments may have been made on behalf of the Debtor by non-debtor affiliates.

10. Other transfers

None
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List all other property, other than property transferred in the ordinary course of the business or financial affairs of the Debtor transferred either absolutely or as security within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

11. Closed financial accounts

None
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List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperative associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

12. Safe deposit boxes

None
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List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

13. Setoffs

None
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List all setoffs made by any creditor, including a bank, against debts or deposits of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

14. Property held for another person

None
☐

List all property owned by another person that the debtor holds or controls.

Merrill Lynch Account 838-07E10; The Debtor is currently analyzing the account and believes the account balance may contain amounts related to intercompany withholding of taxes on stock options from certain subsidiaries that should be credited back to those subsidiaries, as well as amounts related to possible gains on the sale of such stock options.

15. Prior address of debtor

None
☒

If the debtor has moved within the **two years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

None



16. Spouses and former spouses

If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington or Wisconsin) within the **six-year period** immediately preceding the commencement of this case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

17. Environmental information

For the purposes of this questions, the following definitions apply:

"Environmental Law" means any federal, state, of local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law.

None



a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law.

None



b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

None



c. List all judicial or administrative proceedings, including settlements or order, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

18. Nature, location, and names of business

None



a. If the Debtor is an individual, list the names, addresses and taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partnership, sole proprietorship, or was a self-employed professional within the **six-years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within the **six-years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses and taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting securities, within the **six-years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses and taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting securities, within the **six-years** immediately preceding the commencement of this case.

SEE ATTACHMENT 18

None



b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within the **six-years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or otherwise self-employed.

*(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within the six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

19. Books, records and financial statements

None
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a. List all bookkeepers and accountants who within the **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

SEE ATTACHMENT 19a

None
☐

b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME AND ADDRESS
PricewaterhouseCoopers LLP
Two Commerce Square, Suite 1700
2001 Market Street
Philadelphia, PA 19103-7042

DATES SERVICES RENDERED
2004, 2003, 2002

None
☐

c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

Patrick T. Hogan

c/o RCN Corporation
105 Carnegie Center
Princeton, NJ 08540

PricewaterhouseCoopers LLP

Two Commerce Square, Suite 1700
2001 Market Street
Philadelphia, PA 19103-7042

None
☐

d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom a financial statement was issued within the **two years** immediately preceding the commencement of this case by the debtor.

RCN Corporation is a public company and its financials are publicly available.

20. Inventories

None
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a. List the dates of the last two inventories taken of the debtor's property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

None
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b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

21. Current Partners, Officers, Directors and Shareholders

None
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If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent of more of the voting or equity securities of the corporation.

SEE ATTACHMENT 21

22. Former Partners, Officers, Directors, and Shareholders

None
☐

If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

If the debtor is a corporation, list all officers, or directors whose relationships with the corporation terminated within **one year** immediately preceding the commencement of this case.

SEE ATTACHMENT 22

23. Withdrawals from a partnership or distributions by a corporation

None
☒

If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

24. Tax consolidation group

None
☐

If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within the **six-year period** immediately preceding the commencement of this case.

<u>Dec. 2003</u>	<u>Dec. 2002</u>	<u>Dec. 2001</u>	<u>Dec. 2000</u>	<u>Dec. 1999</u>	<u>Dec. 1998</u>
RCN	RCN	RCN	RCN	RCN	RCN
Corporation	Corporation	Corporation	Corporation	Corporation	Corporation
22-3498533	22-3498533	22-3498533	22-3498533	22-3498533	22-3498533

25. Pension funds

None
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If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within the **six-year period** immediately preceding the commencement of this case.

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GENERAL NOTES PERTAINING TO ALL DEBTORS

The Schedules of Assets and Liabilities (the “Schedules”) and the Statements of Financial Affairs (the “Statements”) and collectively with the Schedules, (the “Schedules and Statements”) of RCN Corporation (“RCN”) and its affiliated debtors (collectively, the “Debtors”) have been prepared pursuant to 11 U.S.C. § 521 and Rule 1007 of the Federal Rules of Bankruptcy Procedure by management of the Debtors with the assistance of their court-appointed advisors and are unaudited.

While management has made every reasonable effort to ensure that the Schedules and Statements are accurate and complete based on information that was available to them at the time of preparation, subsequent information or discovery may result in material changes to these Schedules and Statements, and inadvertent errors or omissions may exist. In addition, the Schedules and Statements may include or incorporate information about non-Debtor affiliates. Moreover, the subsequent receipt of information may result in material changes in financial and other data contained in the Schedules and Statements. The Schedules and Statements, therefore, remain subject to further review and verification by the Debtors. Accordingly, the Debtors reserve all rights to amend and/or supplement their Schedules and Statements as is necessary and appropriate.

Furthermore, nothing contained in the Schedules and Statements shall constitute a waiver of rights with respect to these chapter 11 cases and specifically with respect to any issues involving substantive consolidation, equitable subordination and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and other relevant non-bankruptcy laws to recover assets or avoid transfers.

Basis of Presentation. The information provided herein, except as otherwise noted, represents the financial results of RCN Corporation, the activities, assets and liabilities of which constitute the vast majority of the business of the entire Debtors' organization. The Debtors generally maintain their accounting records in keeping with generally accepted accounting principles (“GAAP”). Except as noted, the asset and liability data contained in the Schedules and Statements are as of May 26, 2004.

Interests in Subsidiaries. RCN is the parent company of 21 domestic subsidiaries. The Debtor's Schedule B – Personal Property – lists RCN's ownership interest in its direct subsidiaries. The value of this interest is undetermined, and has been scheduled as such.

Summary of Significant Reporting Limitations. The Schedules and Statements have been signed by Anthony M. Horvat, Chief Restructuring Officer of the Debtors. In reviewing and signing the Schedules and Statements, Mr. Horvat has necessarily relied upon the efforts, statements and representations of the accounting and other personnel located at RCN's headquarters and at each of the Debtors' stations and local sites. Mr. Horvat has not (and could not have) personally verified the accuracy of each such statement and representation, including statements and representations concerning amounts owed to creditors. In addition, the following conventions were adopted by the Debtors in the preparation of the Schedules and Statements.

- (a) Book and Cost Value. It would be prohibitively expensive and unduly burdensome to obtain current market valuations of the Debtor's property interests and other significant assets. Accordingly, unless otherwise noted, carrying values on the Debtor's books, rather than current market values of the Debtor's interests in property, are reflected on the Debtor's schedules. Furthermore, the carrying values of assets as of April 30, 2004 have been used (as stated above) as there have been no material changes between this date and the petition date. There are certain asset values that have changed during this period (such as cash), and these values have been updated through the petition date and have been noted herein.
- (b) Agreements Subject to Confidentiality. There may be instances within the Schedules and Statements where either names or addresses have been left blank. Due to the nature of an agreement between the Debtors and the third party, concerns of confidentiality or concerns for the privacy of an individual, the Debtor may have deemed it appropriate and necessary to avoid listing such names and addresses.

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- (c) Causes of Action. The Debtors, despite efforts, may not have set forth all of their causes of action against third parties as assets in their Schedules and Statements. The Debtors reserve all of their rights with respect to any causes of action they may have and neither these General Notes nor the Schedules and Statements shall be deemed a waiver of any such causes of action.
- (d) Claims Description. Any failure to designate a claim on the Debtors' Schedules and Statements as "disputed," "contingent" or "unliquidated" does not constitute an admission by the Debtors that such amount is not "disputed," "contingent" or "unliquidated." The Debtors reserve the right to dispute any claim reflected on their Schedules or Statements on any grounds, including, but not limited to, amount, liability or classification, or to otherwise subsequently designate such claims as "disputed," "contingent" or "unliquidated." Moreover, the Debtors reserve the right to amend their Schedules as necessary or appropriate.

Specific Notes. These general notes are in addition to the specific notes set forth in the Schedules and Statements hereinafter. Disclosure of information in one Schedule or Statement, even if incorrectly placed, shall be deemed to be disclosed in the correct Schedule or Statement. The fact that the Debtors have prepared a general note with respect to a particular Schedule or Statement and not to others does not reflect and should not be interpreted as a decision by the Debtors to exclude the applicability of such general note to any or all of the Debtors' remaining Schedules or Statements, as appropriate.

Schedule F – Creditors Holding Unsecured Nonpriority Claims. Schedule F does not include certain deferred charges, deferred liabilities or general reserves. Such amounts are, however, reflected on the Debtors' books and records as required in accordance with GAAP. Such accruals are general estimates of liabilities and do not represent specific claims as of the Petition Date. The claims listed in Schedule F arose or were incurred on various dates. In certain instances, the date on which a claim arose may be an open issue of fact. While reasonable efforts have been made, the determination of each date upon which each claim in Schedule F was incurred or arose would be unduly burdensome and cost prohibitive and, therefore, the Debtors have not listed a date for each claim listed on Schedule F.

Intercompany liabilities are included in Schedule F at the amounts recorded in the Debtors' books and records as of April 30, 2004. These figures are subject to further review.

Schedule F contains information regarding pending litigation involving the Debtors. In certain instances, the Debtor that is the subject of the litigation is unclear or undetermined. However, to the extent that litigation involving a particular Debtor has been identified, such information is contained in the Schedule for that Debtor.

Schedule G – Executory Contracts. While reasonable efforts have been made to ensure the accuracy of Schedule G regarding executory contracts and unexpired leases, inadvertent errors, omissions or overinclusion may have occurred. The Debtors do not make, and specifically disclaim, any representation or warranty as to the completeness or accuracy of the information set forth herein. The Debtors hereby reserve all of their rights to dispute the validity, status, characterization, or enforceability of any contract or other agreement set forth in Schedule G that may have expired or may have been modified, amended, and supplemented from time to time by various amendments, restatements, waivers, estoppel certificates, letters and other documents, instruments and agreements which may not be listed therein.

In some cases, the same supplier or provider appears multiple times in Schedule G. This multiple listing is intended to reflect distinct agreements between the applicable Debtor and such supplier or provider.

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Certain of the leases and contracts listed on Schedule G may contain certain renewal options, guarantees of payment, options to purchase, rights of first refusal, and other miscellaneous rights. Such rights, powers, duties and obligations are not set forth on Schedule G. In addition, the Debtors may have entered into various other types of agreements in the ordinary course of their business, such as easements, rights of way, subordination, nondisturbance and attornment agreements, supplemental agreements, amendments/letter agreements, title agreements and confidentiality agreements. Such documents are also not set forth in Schedule G.

In addition, certain of the agreements listed on Schedule G may be in the nature of conditional sales agreements or secured financings. The Debtors reserve all of their rights to dispute or challenge the characterization of the structure of any transaction, or any document or instrument (including, without limitation, any intercompany agreement), or otherwise seek the recharacterization of any lease identified herein as a security device. Certain of the contracts, agreements, and leases listed on Schedule G may have been entered into by more than one of the Debtors. Finally, certain of the executory agreements may not have been memorialized and could be subject to dispute.

General Notes Control. In the event that the Schedules and Statements differ from the foregoing General Notes, the General Notes shall control.

2. Income other than from employment or operation of business.

<u>Description</u>	<u>Other Income YTD 4/30/04</u>	<u>Other Income 12/31/03</u>	<u>Other Income 12/31/02</u>
Interest Income	\$1,139	\$3,759	\$8,966
	<u>\$1,139</u>	<u>\$3,759</u>	<u>\$8,966</u>

4a. Suits and Administrative Proceedings

Case Number	Plaintiff /Case Name	Nature of Proceeding	Court or Agency and Location	Status or Disposition
121731/03	American Home Assurance Company (Paul Galletta)	Alleged Personal Injury	Supreme Court of the State of New York - County of New York	Pending
2003CF2272	Angela Rankins	Ex-Employee Alleged Discrimination	Illinois Department of Human Rights	Pending
closed	Angelina Tarantino v. RCN	Alleged Personal Injury		Closed - December 17, 2003
210A302877	Annette D. Prewitt	Ex-Employee Alleged Discrimination	Chicago District - EEOC	Pending
L 26-02	Candace M. Sparatta v. Breaton F. Pendergast and RCN Corp.	Auto Liability	Superior Court of New Jersey Law Division: Hunterdon County	Settled - \$150,000; April 21, 2004
# 34762-CAH	Commonwealth Edison Company	Alleged Property Damage	Circuit Court of Cook County, Illinois	Pending
200205642	Corey D. Harris	Ex-Employee Alleged Discrimination	Commonwealth of Pennsylvania Human Relations Commission	Closed - February 13, 2004
HNT-L-116-02	County Line Realty Group and Redding Industrial Center	Alleged Personal Injury	Superior Court of New Jersey Law Division: Hunterdon County	Pending
MID-L-3563-01	David Debonville and Rhonda Debonville	Alleged Personal Injury	Middlesex County County Superior Court, State of New Jersey	Pending
04 00198	David Fletcher	Ex-Employee Alleged Discrimination	Commonwealth of Massachusetts, Norfolk Superior Court	Pending
170A201912	Debra K. Craig	Ex-Employee Alleged Discrimination	EEOC - Philadelphia District Office	Pending
200301691	Derek McCauley	Ex-Employee Alleged Discrimination	Commonwealth of Pennsylvania Human Relations Commission	Pending
02-38	Educational TV Corporation	Request for Carriage	Federal Communications Commission	Pending
19621-NC	Edward T. Joyce	Petition for reformation of the RCN Corp, 21st Century Corp, and 21st Century Telecom Group merger agreement	Court of Chancery of the State of Delaware for New Castle County	Pending
113491/01	Enid Gramazio v. Hylan Electric, Felix Industries Inc., Subway Co Ltd & RCN	Alleged Personal Injury	Supreme Court of the State of New York - County of Queens	Pending

4a. Suits and Administrative Proceedings

Case Number	Plaintiff /Case Name	Nature of Proceeding	Court or Agency and Location	Status or Disposition
31872/02	Evelyn Pacino v. RCN Corp et al.	Alleged General Liability	Supreme Court of the State of New York - County of Queens	Pending
closed	Frances Sims v. RCN	Alleged Personal Injury		Closed - November 12, 2003
03-117665	Francesco Liotti v. WP Owners Corp., RCN Corporation, and RCN Cable Systems Inc.	Alleged Personal Injury	Civil Court of the City of New York, County of New York	Pending
MER-L-3049-02	Harry & Deborah Hammell v. Paul E. Sigmun IV, Avis Rent-a-Car, RCN Corp., John Doe 1-5 and John Doe Corp. 1-5	Auto Liability	Superior Court of New Jersey Law Division Mercer County	Closed - January 23, 2003
HUD-L-4810-02	James Monroe Condominium	Breach of Contract	Superior Court of New Jersey - Law Division - Hudson County	Pending
MID-L-003645-02	Jennifer Shuman v. RCN Corporation and Norman Kushin	Ex-Employee Alleged Discrimination	Superior Court of New Jersey Law Division Middlesex County	Pending
03BEM00934	Jose Pina	Ex-Employee Alleged Discrimination	Massachusetts Commission Against Discrimination	Pending
75687/02	Joseph Stabile v. Regency Towers v. RCN Corp	Alleged Personal Injury	Supreme Court of the State of New York - County of Kings	Pending
02-318B	Judy Charles v. RCN Corp and Mirra Corp	Alleged Personal Injury	Commonwealth of Massachusetts, Norfolk Superior Court	Closed - September 9, 2003
12021/02	Lawrence Bernard v. RCN Corp and AT&T Corp.	Alleged Personal Injury	Supreme Court of the State of New York - County of Nassau	Pending
L-175-002	Marie DeWees and Pamela J. Pernot	Alleged Gender and Age Discrimination	Superior Court of New Jersey Appellate Division	Pending
02-02-L-14	Mary Nell Douglas	Breach of Fiduciary Duty	Circuit Court of the Fourth Judicial Circuit - Fayette County, Illinois	Closed - May 5, 2004
210-2003-33141	Maurice Reynolds	Ex-Employee Alleged Discrimination	EEOC - Illinois Department of Human Rights	Closed - February 13, 2004
03-E-74	Michael Kraficisin	Ex-Employee Alleged Discrimination	City of Chicago Commission of Human Relations	Pending
1935/04	Mr. Eitan Ogen	Small Claims	Civil Court of the City of New York - County of New York	Settled - \$68.37; May 18, 2004

4a. Suits and Administrative Proceedings

Case Number	Plaintiff /Case Name	Nature of Proceeding	Court or Agency and Location	Status or Disposition
02-E-134	Natalie Hernandez	Ex-Employee Alleged Discrimination	City of Chicago Commission on Human Relations	Pending
21BA31727	Nereida Colon	Ex-Employee Alleged Discrimination	Illinois Department of Human Rights	Pending
HUD-L-4407-02	Newport Associates Development Company	Breach of Contract	Superior Court of New Jersey - Law Division - Hudson County	Pending
200202384	Nicholas Bagley, III	Ex-Employee Alleged Discrimination	Pennsylvania Human Relations Commission	Pending
3:03-cv-02065	Nicole Robinson v. RCN Corporation	Ex-Employee Alleged Discrimination	US District court for the Middle District of Pennsylvania	Pending
1-2004cv02080	Nytalya M. Smith-Brown	Ex-Employee Alleged Discrimination	U.S. District Court for Northern District of Illinois Eastern Division	Pending
	Old Dominion Freight Line v. JJ's Mae, Inc., RCN Corporation, Starpower Communications, LLC, et al.			
03SEM01989	Patricia Montague	Ex-Employee Alleged Discrimination	Massachusetts Commission Against Discrimination	Pending
MCAD & EEOC	Rodney H. Walker	Ex-Employee Alleged Discrimination	Massachusetts Commission Against Discrimination	Pending
111838/00	Sara Calvo	Alleged Personal Injury	Supreme Court of the State of New York - County of New York	Pending
02-02333	Sheldon Wernikoff	Alleged Overcharging of Telephone Rates	Circuit Court of Cook County, Illinois - County Department, Chancery Division	Pending
03-C-5866	Stephen M. Lee	Alleged entitlement to Stock Options	U.S. District Court for the Northern District of Illinois Eastern Division	Pending
170-2003-02511	Steven A. Mason	Ex-Employee Alleged Discrimination	EEOC - Philadelphia District Office	Settled - \$12,000; May 28, 2004
200303889	Susan Weiss v. RCN	Ex-Employee Alleged Discrimination	EEOC - Philadelphia District Office	Pending
HNT-L-112-03	Thomas Maring and Hoang Huynh v. RCN Corp.	Alleged Personal Injury	Superior Court of New Jersey Law Division: Hunterdon County	Pending
2515-C 2001	Timothy R. Neel and Colleen E. Neel v. RCN Corporation, Peco Energy Company, and Evelon Corporation	Alleged Personal Injury	Court of Common Pleas of Luzerne County	Pending

4a. Suits and Administrative Proceedings

Case Number	Plaintiff /Case Name	Nature of Proceeding	Court or Agency and Location	Status or Disposition
109051/03	Troy Fisher v. The City of New York, Time Warner Inc., and RCN Corporation	Alleged Personal Injury	Supreme Court of New York - County of New York	Pending
02CC17108	Van Huss v. RCN	Alleged Personal Injury	Superior Court of California - County of Orange	Pending
002812	Verizon New England v. RCN	Alleged Property Damage	Commonwealth of Massachusetts - Boston Municipal Court	Pending
E-101911-AD	Voncile Marshall	Ex-Employee Alleged Discrimination	Pennsylvania Human Relations Commission	Settled - \$500; May 28, 2004

18. Nature, location, and names of business.

Count	Ch. 11	Entity Name	State	Parent	Ownership	Tax ID	Notes
1		Brainstorm Networks, Inc.	California	RCN Corporation	100%	94-3070972	1
2		J2 Interactive, LLC	Delaware	RCN Corporation	23.5%	04-3568729	
3		JuniorNet				04-3307165	2
4		Lancit Media Entertainment, Ltd.		RCN Corporation	100%	13-3019470	2
5		RCN Entertainment, Inc.	Delaware	RCN Corporation	100%	22-3815533	
6	Yes	Hot Spots Productions, Inc.	New York	RCN Entertainment, Inc.	100%	11-3658121	
7		ON TV, Inc.	New York	RCN Entertainment, Inc.	100%	04-3593566	
8	Yes	RCN Finance, LLC	Delaware	RCN Corporation	100%	22-3827831	
9		RCN Financial Management, Inc.	Delaware	RCN Corporation	100%	22-3543109	
10		RCN Internet Services, Inc.	Delaware	RCN Corporation	100%	22-3561029	1
11		RCN Telecom Services of Washington DC, Inc.	Washington DC	RCN Internet Services, Inc.	52% issued, 96.4% voting	22-3520236	
12		Starpower Communications, LLC	Delaware	RCN Telecom Services of Washington DC, Inc.	50% Joint Venture	52-2061905	
13		RCN Telecom Services of Illinois, LLC	Illinois	RCN Corporation	100%	41-2071474	1
14		RCN Cable TV of Chicago, Inc.	Delaware	RCN Telecom Services of Illinois, LLC	100%	52-2113019	1
15		21st Century Telecom Services, Inc.	Delaware	RCN Telecom Services of Illinois, LLC	100%	52-2113018	
16		RCN Telecom Services, Inc.	Pennsylvania	RCN Corporation	100%	23-2472885	1
17		RCN Telecom Services of Massachusetts, Inc.	Massachusetts	RCN Telecom Services, Inc.	100%	22-3336717	1
18		RCN-BecoCom, LLC	Massachusetts	RCN Telecom Services of Massachusetts, Inc.	100% profit/loss, 99.99% voting	04-3342033	1
19		RCN Telecom Services of Philadelphia, Inc.	Pennsylvania	RCN Telecom Services, Inc.	100%	23-2864826	1
20		RCN Telecom Services of Virginia, Inc.	Virginia	RCN Telecom Services, Inc.	100%	22-3493560	1
		RCN Telecom Services of Washington DC, Inc.	Washington DC	RCN Telecom Services, Inc.	48% issued, 3.6% voting	22-3520236	
		Starpower Communications LLC	Delaware	RCN Telecom Services of Washington DC, Inc.	50% Joint Venture	52-2061905	
21		RCN International Holdings, Inc.	Delaware	RCN Telecom Services, Inc.	100%	51-0365128	1
22		Megacable, S.A. de C.V.	Mexico	RCN International Holdings, Inc.	48.9276%	N/A	
23		Megacable Telecomunicaciones, S.A. de C.V.	Mexico	RCN International Holdings, Inc.	48.9276%	N/A	
24		MCM Holding, S.A. de C.V.	Mexico	RCN International Holdings, Inc.	48.9276%	N/A	
25		RFM 2, LLC	Delaware	RCN Corporation	100%	04-3621731	
26	Yes	RLH Property Corporation	New Jersey	RCN Corporation	100%	22-3720727	
27	Yes	TEC Air, Inc.	Delaware	RCN Corporation	100%	51-0320454	
28		UNET Holding, Inc.	Delaware	RCN Corporation	100%	22-3561033	1

Notes:

- 1 See Page 2 of this Attachment for previously-used entity names.
- 2 The Debtor believes these entities no longer exist.

18. Nature, location, and names of business.

Current Name	Previous Names
RCN Corporation	RCN Telecom Corporation
RCN Internet Services, Inc.	Direct Network Access, Ltd. ENET Holding, Inc. Erol's Internet, Inc. Erols Internet, Inc. OEO, Inc.
UNET Holding, Inc.	Erde Network Systems Corporation INET Holding, Inc. Interport Communications Corp. JavaNet, Inc. JMP Communications Corporation JNET Holding, Inc. MTP, LLC North American Internet, Inc. Port Telecom Corporation Ultrahet Communications, Inc.
RCN Telecom Services of Illinois, LLC	21st Century Acquisition Corp. 21st Century Cable TV of Grand Rapids, Inc. 21st Century Cable TV of Illinois, Inc. 21st Century Cable TV of Northbrook, Inc. 21st Century Cable TV of Skokie, Inc. 21st Century of Northbrook Operations, Inc. 21st Century Telecom Group of Michigan, Inc. 21st Century Telecom Group, Inc. 21st Century Telecom NOC, Inc. 21st Century Telecom of Chicago Operations, Inc. 21st Century Telecom of Illinois, Inc. 21st Century Telecom of Indiana, Inc. 21st Century Telecom of Michigan, Inc. 21st Century Telecom of Skokie Operations, Inc. 21st Holding Corp. EnterAct Corporation EnterAct, L.L.C. RCN Telecom Services of Illinois II, LLC RCN Telecom Services of Illinois, Inc.
RCN Cable TV of Chicago, Inc.	21st Century Cable TV Illinois II, Inc. 21st Century Cable TV Illinois III, Inc. 21st Century Cable TV Illinois IV, Inc. 21st Century Cable TV of Chicago #2, Inc. 21st Century Cable TV of Chicago #3, Inc. 21st Century Cable TV of Chicago #4, Inc. 21st Century Cable TV of Chicago, Inc.
Brainstorm Networks, Inc.	BNI Holding, Inc. Brainstorm MDE, Inc. MAC Doctor Electronics, Inc.
RCN Telecom Services, Inc.	Commonwealth Long Distance Company ComVideo Systems, Inc. C-TEC Cable Systems of NY, Inc. C-TEC Cable Systems of Pennsylvania, Inc. C-TEC Cable Systems Services, Inc. C-TEC Cable Systems, Inc. C-TEC Cable University Systems, Inc. C-TEC Fiber Systems of NJ, Inc.

18. Nature, location, and names of business.

Current Name	Previous Names
RCN Telecom Services, Inc. (continued)	C-TEC Financial Services, Inc. C-TEC Services, Inc. Fiberfone of Michigan, Inc. Fiberfone of New Jersey, Inc. Fiberfone of New York, Inc. Fiberfone of Pennsylvania, Inc. FNY Holding Company, Inc. Freedom New York, L.L.C. Freedom, LLC Homelink Communications of Princeton, L.P. RCN Cable Systems, Inc. RCN Corporate Services, Inc. RCN Financial Management Services, Inc. RCN Financial Services, Inc. RCN Long Distance Company RCN of California RCN of Connecticut RCN of Delaware RCN of Illinois RCN of Maine RCN of Maryland RCN of Michigan RCN of New Hampshire RCN of New Jersey RCN of New Jersey, Inc. RCN of New York RCN of Rhode Island RCN of Southeast New York, Inc. RCN of Vermont RCN of Washington RCN Operating Services, Inc. RCN Services, Inc. RCN Telecom Holding Company RCN Telecom Services of Arizona, Inc. RCN Telecom Services of California, Inc. RCN Telecom Services of Connecticut, Inc. RCN Telecom Services of Delaware, Inc. RCN Telecom Services of Illinois, Inc. RCN Telecom Services of Maine, Inc. RCN Telecom Services of Maryland, Inc. RCN Telecom Services of Michigan, Inc. RCN Telecom Services of Nevada, Inc. RCN Telecom Services of New Hampshire, Inc. RCN Telecom Services of New Jersey, Inc. RCN Telecom Services of New York, Inc. RCN Telecom Services of Oregon, Inc. RCN Telecom Services of Pennsylvania, Inc. RCN Telecom Services of Rhode Island, Inc. RCN Telecom Services of Southeast New York, Inc.

18. Nature, location, and names of business.

Current Name	Previous Names
RCN Telecom Services, Inc. (continued)	RCN Telecom Services of Vermont, Inc. RCN Telecom Services of Washington, Inc. Residential Communications Network of California, Inc. Residential Communications Network of Delaware, Inc. Residential Communications Network of Illinois, Inc. Residential Communications Network of Maryland, Inc. Residential Communications Network of Michigan, Inc. Residential Communications Network of New Jersey, Inc. Residential Communications Network of New York, Inc. Residential Communications Network of Washington, Inc. Residential Communications Network Services, Inc. Residential Communications Network, Inc. UrbanNet of Illinois, Inc. UrbanNet of Maryland, Inc. UrbanNet of Michigan, Inc. UrbanNet of New York, Inc.
RCN International Holdings, Inc.	C-TEC International, Inc.
RCN Telecom Services of Massachusetts, Inc.	RCN of New England Residential Communications Network of Massachusetts, Inc. UrbanNet of Massachusetts, Inc.
RCN Telecom Services of Philadelphia, Inc.	RCN of Pennsylvania RCN of Philadelphia RCN Telecom Services of Pennsylvania, Inc. Residential Communications Network of Pennsylvania, Inc.
RCN Telecom Services of Virginia, Inc.	RCN of Virginia Residential Communications Network of Virginia, Inc.
RCN-BecoCom, LLC	RCN-BETG, LLC

19a. Accountants & Bookkeepers Supervising Books Records and Financial Statements

<u>Supervisor</u>	<u>Title</u>	<u>Address</u>
Patrick T. Hogan	Current CFO	c/o RCN Corporation, 105 Carnegie Center, Princeton, NJ 08540
Jeff White	Former CFO	Address Available Upon Request
Timothy J. Stoklosa	Former CFO	Address Available Upon Request

21. Current Partners, Officers, Directors and Shareholders

<u>Name</u>	<u>Title</u>
Directors	
Alfred Fasola	Director
David C. McCourt	Director
Eugene Roth	Director
James Q. Crowe	Director
Michael Yanney	Director
Peter S. Brodsky	Director
Richard R. Jaros	Director
Thomas P. O'Neill, III	Director
Walter Scott, Jr.	Director
Officers	
Anthony M. Horvat	Chief Restructuring Officer
Blair Worrall	VP, Accounting
David C. McCourt	Chairman & CEO
Deborah M. Royster	SVP, General Counsel & Corporate Secretary
Edward O'Hara	Treasurer
Ellyn Ito	VP, Employee Services
James J. Saile	VP, Taxation
John S. Dubel	President and COO
Kevin McGann	SVP, Business & Residential Sales
Linda Duggan	VP, Customer Care
Mark Zarambo	VP, Network Engineering & Operations
Michael J. Angi	SVP, Operations
Patrick T. Hogan	Executive Vice President and CFO
Paul T. Bradshaw	Assistant Secretary
Predeep Mangla	Assistant Treasurer
Richard D. Rioboli	VP, Marketing & Product Management
W. Terrell Wingfield, Jr.	SVP, Legal Affairs
Shareholders	
HM4 RCN Partners	100% of Series A 7% Senior Convertible Preferred Stock
Level 3 Delaware Holdings, Inc.	Approximately 21.79% of Class A Common Stock
Red Basin LLC (See Note 1)	Over 5% of Class A Common Stock
Vulcan Ventures, Inc.	Approximately 83% of Series B 7% Senior Convertible Preferred Stock
Wells Fargo & Company	Approximately 17% of Series B 7% Senior Convertible Preferred Stock

Notes

1. As of April 30, 2004 Red Basin LLC was a record owner with more than a 5% interest. The Debtor believes that Walter Scott, Jr. is the sole manager of Red Basin LLC and has the sole power to vote and dispose of these shares.

General Notes

Certain directors or officers of RCN Corporation or its subsidiaries are also directors or officers of large RCN shareholders (including Level 3 Communications, Inc., Vulcan Ventures, Inc. and Commonwealth Telephone Enterprises, Inc. among others).

The Company manages potential conflicts of interest on a case-by-case basis taking into consideration relevant factors including the requirements of the Securities and Exchange Commission, and prevailing corporate practices.

22. Former Partners, Officers, Directors and Shareholders

<u>Name</u>	<u>Title</u>
Former Directors	
Thomas J. May	Financial Expert for the Audit Committee
William Savoy	Director
Former Officers	
Douglas Bradbury	Chief Restructuring Officer
Jeff White	Chief Financial Officer
John D. Filipowicz	Senior Vice President & General Manager
Michael A. Adams	Chief Strategy Officer
P.K. Ramani	Senior Vice President, Operations Support
Tim Wyllie	Senior Vice President, Operations
Timothy J. Stoklosa	Executive Vice President

DECLARATION CONCERNING DEBTOR'S STATEMENT OF FINANCIAL AFFAIRS

I, Anthony M. Horvat, the Chief Restructuring Officer of the Corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, and that it is true and correct to the best of my knowledge, information and belief.

Date: June 11, 2004

Signature: /s/ **Anthony M. Horvat**

Anthony M. Horvat, Chief Restructuring Officer

Penalty for making a false statement: Fine of up to \$500,000, or imprisonment for up to 5 years, or both. 18 U.S.C. § 152 and 3571.