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Four Times Square
New York, New York 10036-6522
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D. J. Baker (DB 0085)
(Member of the Firm)
Frederick D. Morris (FM 6564)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
:
In re: : Chapter 11
:
RCN CORPORATION, et al., : Case No. 04-13638 (RDD)
:
Debtors. : Jointly Administered
:
:
----- X

AFFIDAVIT OF SERVICE

PLEASE NOTE that on January 4, 2005, I caused true copies of the (i) Stipulation And Order Regarding Debtors' Notice Of Assumption Of Executory Contracts And Unexpired Leases Pursuant To Joint Plan Of Reorganization, attached hereto as Exhibit A, and (ii) Stipulation And Agreed Order Concerning The Assumption Of Insurance Programs With AIG By RCN Corporation, attached hereto as Exhibit B, to be served via first class mail and via facsimile on:

The Office Of The United States Trustee
33 Whitehall Street, 21st floor
New York, NY 10004
Att'n: Paul K. Schwartzberg

Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, NY 10005
Att'n: Deirdre A. Sullivan

Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, NY 10005
Att'n: Dennis Dunne

Paul, Hastings, Janofsky & Walker LLP
75 E. 55th Street, First Floor
New York, NY 10022
Attention: Michael K. Chernick

Simpson, Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017-3954
Att'n: Elisha Graff

Simpson, Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017-3954
Att'n: Peter V. Pantaleo

Executed in: New York, New York
On: January 6, 2005

/s/ Adriana G. Salazar
Adriana G. Salazar

/s/ Luisa Bonachea
Notary Public

EXHIBIT A

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
Four Times Square
New York, New York 10036-6522
(212) 735-3000
D. J. Baker (DB 0085)
(Member of the Firm)
Thomas J. Matz (TM 5986)
Frederick D. Morris (FM 6564)

Attorneys for Debtors

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11
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: : Case No. 04-13638
RCN CORPORATION, et al., :
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Debtors. : Jointly Administered
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**STIPULATION AND ORDER REGARDING DEBTORS' NOTICE
OF ASSUMPTION OF EXECUTORY CONTRACTS AND
UNEXPIRED LEASES PURSUANT TO JOINT PLAN
OF REORGANIZATION**

E! Entertainment Television, Inc. ("E!") and the above-captioned Debtors (the "Debtors") hereby enter into this stipulation and order to resolve all issues relating to certain executory contracts between E! and the Debtors.

A. On or about October 13, 2004, the Debtors served a "Notice of Assumption of Executory Contracts and Unexpired Leases Pursuant to Joint Plan of Reorganization of RCN Corporation and Certain Subsidiaries," (the "Assumption Notice"). The Assumption Notice refers to a programming agreement as to which E! is a third-party beneficiary (the "Programming Agreement"). The terms of the Programming Agreement are clarified in a

Letter Agreement dated January 1, 2002, between E! and RCN Corporation (the “2002 Letter Agreement”).

B. On November 30, 2003, E! filed a “Response Of E! Entertainment To Debtors’ Notice Of Assumption Of Executory Contracts And Unexpired Leases Pursuant To Joint Plan Of Reorganization And Response Regarding Confirmation Of Joint Plan Of Reorganization” (the “Response”). The Response states that E! does not oppose the Debtors’ assumption of the Programming Agreement provided that the assumption is as to the entirety of the Programming Agreement which includes both of E!’s television programming services: the E! Entertainment Television Service (the “E! Service”) and the Style Network (the “Style Service”).

C. Subsequent to filing the Response, E! and the Debtors reached agreement on the treatment of the Programming Agreement. The terms of this agreement are stated in a letter agreement dated December 1, 2004 (the “2004 Letter Agreement”). The 2004 Letter Agreement is attached hereto as Exhibit “A”.

WHEREFORE, based on the foregoing, E! and the Debtors hereby stipulate as follows:

The Debtors shall assume the Programming Agreement as it relates to both the E! Service and the Style Service including the clarification set forth in the 2002 Letter Agreement and all of the services rendered by E! including both the E! Service and the Style Service, subject to the modifications contemplated in the 2004 Letter Agreement.

Dated: December 21, 2004

KAYE SCHOLER LLP

/s/ Ronald L. Leibow
Ronald L. Leibow
1999 Avenue of the Stars
Suite 1700
Los Angeles, CA 90067-6048
(310) 788-1000
Attorneys for E! Entertainment Television, Inc.

Dated: January 3, 2005

SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP

/s/ D. J. Baker
D. J. Baker (DB 0085)
(Member of the Firm)
Thomas J. Matz (TM 5986)
Frederick D. Morris (FM 6564)
Four Times Square
New York, New York 10036-6522
(212) 735-3000
Attorneys for Debtors

IT IS SO ORDERED.

Dated: January ___, 2005

United States Bankruptcy Judge

EXHIBIT A

Via Express Mail

As of December 1, 2004

Mr. John Murawski
RCN Corporation ("RCN")
105 Carnegie Center
Princeton, NJ 08540

Re: **E! Entertainment Television, Inc. ("E!") /
Assumption of style. Programming Agreement**

Dear John:

This letter shall confirm that, in connection with its bankruptcy plan of reorganization, RCN has agreed to assume and perform its obligations with respect to the style. programming service ("style."), as set forth in (i) that certain Side Letter Agreement between E! and RCN, dated as of January 1, 2002, and (ii) style.'s National Cable Television Cooperative ("NCTC") affiliation agreement, dated January 1, 2000 (as such may be amended), which RCN agreed to perform when it joined the NCTC in 2002 (the aforementioned Side Letter Agreement and style. NCTC affiliation agreement are collectively referred to as the "style. Programming Agreement").

Provided that RCN take all necessary actions with the Bankruptcy Court to effectuate the assumption of the style. Programming Agreement, E! will thereafter permit RCN to reposition style., without penalty, solely in its Philadelphia system, from the analog expanded basic level of service to a lesser penetrated digital level of service, notwithstanding the prohibition against such repositioning contained in the style. NCTC affiliation agreement. Except as modified above with respect to RCN's Philadelphia system, the style. Programming Agreement shall remain unchanged and in full force and effect.

This letter contains the entire understanding of the parties with respect to the assumption by RCN of the style. Programming Agreement, and may only be modified by a writing signed by both parties. Please confirm RCN's agreement with the above by signing below and returning this letter to me. I will forward a fully executed original to you for your files. Thank you.

Sincerely,

Mitchel Karp, Esq.
Vice President, Business & Legal Affairs
E! Networks

AGREED TO AND ACCEPTED:
RCN CORPORATION

**E! ENTERTAINMENT
TELEVISION, INC.**

By: 

Name: VP Marketing & Programming
Its: Barbara J Adas

M. Bradford Fox
Senior Vice President
Affiliate Relations



NETWORKS

Via Express Mail

As of December 1, 2004

Mr. John Murawski
RCN Corporation ("RCN")
105 Carnegie Center
Princeton, NJ 08540

Re: **E! Entertainment Television, Inc. ("E!") /
Assumption of style. Programming Agreement**

Dear John:

This letter shall confirm that, in connection with its bankruptcy plan of reorganization, RCN has agreed to assume and perform its obligations with respect to the style. programming service ("style."), as set forth in (i) that certain Side Letter Agreement between E! and RCN, dated as of January 1, 2002, and (ii) style.'s National Cable Television Cooperative ("NCTC") affiliation agreement, dated January 1, 2000 (as such may be amended), which RCN agreed to perform when it joined the NCTC in 2002 (the aforementioned Side Letter Agreement and style. NCTC affiliation agreement are collectively referred to as the "style. Programming Agreement").

Provided that RCN take all necessary actions with the Bankruptcy Court to effectuate the assumption of the style. Programming Agreement, E! will thereafter permit RCN to reposition style., without penalty, solely in its Philadelphia system, from the analog expanded basic level of service to a lesser penetrated digital level of service, notwithstanding the prohibition against such repositioning contained in the style. NCTC affiliation agreement. Except as modified above with respect to RCN's Philadelphia system, the style. Programming Agreement shall remain unchanged and in full force and effect.

This letter contains the entire understanding of the parties with respect to the assumption by RCN of the style. Programming Agreement, and may only be modified by a writing signed by both parties. Please confirm RCN's agreement with the above by signing below and returning this letter to me. I will forward a fully executed original to you for your files. Thank you.

Sincerely,

Mitchel Karp, Esq.
Vice President, Business & Legal Affairs
E! Networks

AGREED TO AND ACCEPTED:
RCN CORPORATION

E! ENTERTAINMENT
TELEVISION, INC.

M. Bradford Fox
Senior Vice President
Affiliate Relations

By: _____
Name: _____
Its: _____



EXHIBIT B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- x
In re : Chapter 11
: :
RCN CORPORATION, et al., : Case No. 04-13638 (RDD)
: :
Debtors. : (Jointly Administered)
: :
----- x

**STIPULATION AND AGREED ORDER CONCERNING THE ASSUMPTION
OF INSURANCE PROGRAMS WITH AIG BY RCN CORPORATION**

American Home Assurance Company, American International Specialty Lines Insurance Company, Illinois National Insurance Company, National Union Fire Insurance Company of Pittsburgh, Pa., Starr Excess Liability Insurance International Ltd., and certain other entities related to American International Group, Inc. (collectively, the "AIG"), and the reorganized debtors in the above captioned cases (the "Reorganized Debtors," and together with AIG, the "Parties"), hereby stipulate and agree, subject to the Court's approval, as follows:

1. On May 27, 2004 (the "Petition Date"), RCN Corporation ("RCN") and certain of its affiliates (collectively, the "Debtors") filed voluntary petitions in this Court for reorganization relief under chapter 11 of title 11 of the United States Code, as amended (the "Bankruptcy Code").¹

¹ RCN Corporation, TEC Air, Inc., RLH Property Corporation, RCN Finance, LLC and Hot Spots Productions, Inc. commenced their chapter 11 cases on May 27, 2004. RCN Cable TV of Chicago commenced its chapter 11 case on (continued...)

2. On December 8, 2004, the Court entered an order (the "Confirmation Order") confirming the Joint Plan of Reorganization of RCN Corporation and Certain Subsidiaries (as amended, the "Plan").

3. On December 21, 2004, all the conditions to consummation of the Plan were satisfied and the effective date of the Plan occurred.

4. AIG provided and continues to provide RCN, with various insurance policies, including without limitation, accident and health, air, general liability, property, workmen's compensation, and other services, some of which are governed by various payment and indemnity agreements, as amended from time to time (the "Insurance Programs").

5. Pursuant to the Insurance Programs, RCN entered into certain agreements and are obligated to pay to AIG, among other things, certain premiums, deductibles, self-insured retention, reimbursement obligations, fees expenses and related costs. AIG holds approximately \$4.5 million in cash as security for RCN's obligations under the Insurance Programs.

6. On or about August 10, 2004, AIG timely filed claim number 1276 in the chapter 11 case of RCN (the "AIG Claim").

¹ (...continued)
August 5, 2004. RCN Telecom Services of Virginia, Inc., RCN Entertainment, Inc., 21st Century Telecom Services, Inc. and ON TV, Inc. commenced their chapter 11 cases on August 20, 2004.

7. On November 30, 2004, the Debtors filed their Motion For Order Under 11 U.S.C. §§ 105(a), 363(b) and 365 Authorizing and Approving (A) The Assumption Of Certain Executory Contracts And (B) The Renewal Of Insurance Programs (Docket No. 442) (the "Assumption Motion"). Pursuant to the Assumption Motion, RCN sought the authority to assume the Insurance Programs and to renew such programs on similar terms.

The Parties agree that the Reorganized Debtors shall be authorized to assume the Insurance Programs pursuant to the order approving the Motion, subject to the following agreement (the "Stipulation"):

A. The Parties agree that the Stipulation is reasonable and fair and equitable under the circumstances;

B. AIG consents to the Reorganized Debtors' assumption of the Insurance Programs;

C. The Reorganized Debtors and AIG represent that there are no material defaults existing under the Insurance Programs;

D. The Reorganized Debtors shall cure all defaults upon entry of this Stipulation and are authorized and directed to pay their obligations under the Insurance Programs, including, without limitation, premium and losses, in the ordinary course of business, in accordance with the relevant terms of the Insurance

Programs, without requiring AIG to take any other action, including commencing any proceeding in the above-captioned cases;

E. Notwithstanding anything to the contrary in the Assumption Motion, the Plan, or the Confirmation Order, AIG shall not be (i) bound by the cure amount scheduled by the Debtors with respect to the Insurance Programs or (b) required to file a proof of claim or request for payment of administrative expenses, with respect to any amounts owed by RCN or the Reorganized Debtors in connection with the Insurance Programs;

F. The discharge injunction (the "Injunction") provided by the Confirmation Order and sections 524 and 1141 of the Bankruptcy Code shall be modified for the limited purpose to permit AIG to adjust, settle and pay insured claims in accordance with the terms of the Insurance Programs, utilize insurance proceeds for that purpose, and otherwise carry out the terms and conditions of the Insurance Programs, without further order of the Court;

G. The Parties agree that, should a dispute arise with regard to the Insurance Programs, such dispute may be resolved as per the agreements governing the Insurance Programs in any appropriate forum; and

H. The AIG Claim is hereby withdrawn.

Dated: New York, New York
January 3, 2005

SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP

/s/ D. J. Baker

D. J. Baker (DB 0085)
(Member of the Firm)
Thomas J. Matz (TM 5986)
Frederick D. Morris (FM 6564)
Four Times Square
New York, New York 10036-6522
(212) 735-3000

Attorneys for Debtors

Dated: New York, New York
December 28, 2004

/s/ Michelle A. Levitt

Michelle A. Levitt
American International Group, Inc.
70 Pine Street, 31st Floor
New York, New York 10270
Telephone: (212) 770-7075

Attorney for AIG

SO ORDERED this ____ day
of January, 2005

United States Bankruptcy Judge