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2 UNITED STATES BANKRUPTCY COURT  
3 SOUTHERN DISTRICT OF NEW YORK  
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5 ----- x  
6 In the Matter Case No.  
7 of 04-13638  
8 RCN CORPORATION  
9 Debtor.

----- x  
September 29, 2004

10 United States Custom House  
11 One Bowling Green  
12 New York, New York 10004

13 Notice of motion for order orders entered in  
14 the Chapter 11 cases of RCN Corporation, et  
15 al., be deemed applicable to the subsequent  
16 debtors; amend motion to amend final order (I)  
17 authorizing the use of lenders' cash collateral  
18 and (II) granting adequate protection (related  
19 to doc.#66); re: Doc#224; motion to extend time  
20 within which the debtors may assume or reject  
21 unexpired leases of nonresidential real  
22 property (RCN Cable TV of Chicago, Inc., RCN  
23 Entertainment, Inc., ON TV, Inc., 21st Century  
24 Telecom Services, Inc., and RCN Telecom; re:  
25 Doc#225; motion to extend time within which the  
debtors may file notices of removal (RCN Cable  
TV of Chicago, Inc., RCN Entertainment, Inc.,  
ON TV, Inc., 21st Century Telecom Services,  
Inc., and RCN Telecom Services of Virginia,  
Inc.)

B E F O R E:  
HON. ROBERT D. DRAIN,  
Bankruptcy Judge.

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RCN Corporation

A P P E A R A N C E S :

SKADDEN, ARPS, SLATE, MEAGHER & FLOM,  
LLP

Attorneys for Debtors

Four Times Square

New York, New York 10036

BY: D.J. BAKER, ESQ.

-and-

FREDERICK D. MORRIS, ESQ.

SIMPSON THACHER & BARTLETT, LLP

Attorneys for JP Morgan Chase Bank

425 Lexington Avenue

New York, New York 10017

BY: ELISHA D. GRAFF, ESQ.

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RCN Corporation

P R O C E E D I N G S

THE COURT: RCN.

MR. BAKER: Good morning, your Honor. Jan Baker and Rick Morris for the debtors. Your Honor, I suppose I should begin. I'm very pleased to note that notwithstanding the fact that this hearing like our last one followed significant weather disruptions, Mr. Morris was able to make it to court without the necessity of any flatbed trucks.

THE COURT: You will be like the guy in Little Abner with the cloud over him.

MR. BAKER: We are beginning to wonder. Your Honor, I think this morning is going to be brief. If I could, I will follow the agenda letter.

We have several matters that are being by agreement of all the parties continued. Docket 189 and Docket 194 relating to the disclosure statement hearing and the plan of confirmation balloting and solicitation issues by agreement with the committee have

1 RCN Corporation  
2 been continued until October the 5th at 10 a.m.

3 Likewise, Docket 100, the motion of  
4 the Creditors Committee dealing with certain  
5 nonfiling subsidiary has been continued until  
6 October 27th.

7 With respect to resolved matters,  
8 Docket 137 relates to a nondischargeability  
9 action by agreement of the parties. This would  
10 be allowed to proceed in the Superior Court of  
11 New Jersey, appellate division. The objection  
12 deadline for that is 5 o'clock on October 8,  
13 and as of now we have received no objections.

14 THE COURT: You mean the litigation  
15 would proceed?

16 MR. BAKER: Yes, exactly.

17 THE COURT: Not the state question  
18 is not deciding dischargeability.

19 MR. BAKER: Absolutely. Only the  
20 underlying litigation. That is correct, your  
21 Honor. We then have a group, your Honor, of  
22 matters relating to the second wave or  
23 subsequent filings that were made in these  
24 cases to pick up some of the operating subs  
25 that weren't initially filed.

1 RCN Corporation

2 Those are what I would call  
3 administrative matters, and if I could just  
4 quickly go through them. We had under docket  
5 No. 66 and 175 an amendment to the cash  
6 collateral order to simply pick up those  
7 entities and roll them into the terms and  
8 conditions. We have worked that out with the  
9 secured lenders.

10 THE COURT: And they already were  
11 part of the cash management systems. It is  
12 just basically changing them into debtors?

13 MR. BAKER: Exactly. Docket 174 was  
14 a motion. Rather than going back and refileing  
15 a bunch of retention and related matters, we  
16 attempted to simply by one pleading,  
17 incorporate a number of prior pleadings dealing  
18 with BSI, Price Waterhouse, Swidler Berlin and  
19 Skadden, and that was approved on an interim  
20 basis on August 26th, and the objection  
21 deadline has passed on that as well.

22 Docket 224 deals with an extension  
23 of the 365D(4) time periods to assume or reject  
24 unexpired real estate leases. Likewise, our  
25 objection deadline on that has passed and,

1 RCN Corporation

2 finally, Docket 225 proposes to extend the  
3 removal period, also without objection.

4 THE COURT: Okay. With respect to  
5 each of those matters, the cash collateral  
6 order, the order with regard to the  
7 professionals, the 365(D)(4) and the removal  
8 order and request, I will grant each of those  
9 requests if there have been no objections.

10 MR. BAKER: Thank you, your Honor.  
11 The final matter, Judge, is Docket 227 dealing  
12 with exclusivity. The Committee asked us as a  
13 result of discussions we're having with the  
14 committee concerning, I guess what I would  
15 call, hopefully, final opportunity for it to do  
16 some diligence on the nonfiling subsidiaries  
17 rather than taking up exclusivity today to  
18 extend that until October the 5th. We said we  
19 had no objection to doing so.

20 THE COURT: When does it expire?

21 MR. BAKER: Your Honor, it  
22 expired --

23 THE COURT: Or it expires today?

24 MR. BAKER: It has either just  
25 expired or expires today.

1 RCN Corporation

2 THE COURT: I hope it hasn't expired  
3 yet, or was that order in place of extending it  
4 through the hearing?

5 MR. BAKER: Yes.

6 THE COURT: Given the short time  
7 between now and the 5th, I'm happy to enter a  
8 bridge order and that will be entered today.

9 MR. BAKER: And then we will be back  
10 on the 5th, your Honor, hopefully, to go  
11 forward with the disclosure statement hearing,  
12 but I have to say in the interest of full  
13 disclosure, there are ongoing discussions about  
14 a possibility of a request of the court for a  
15 further brief extension of that period. But we  
16 will know more within the next couple of days  
17 and we will keep your Honor's chambers  
18 informed.

19 THE COURT: Besides the Committee,  
20 have others been given an extension of the time  
21 to object to the disclosure statement or?

22 MR. BAKER: Your Honor, I don't  
23 think anybody else has requested it that I'm  
24 aware of.

25 THE COURT: So you are really just

1 RCN Corporation  
2 trying to work out some last minute issues.

3 MR. BAKER: That's right.

4 THE COURT: That's fine.

5 MR. BAKER: And I think that's  
6 everything we had, your Honor.

7 THE COURT: Very well. Do you have  
8 the bridge order, as well as the others?

9 MR. BAKER: Yes, your Honor.

10 THE COURT: You can hand those up.  
11 I think, well, I'm not sure I have disks for  
12 the others.

13 MR. BAKER: Your Honor, I have disks  
14 and orders for all of those. If I could  
15 approach.

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C E R T I F I C A T E

I, MICHAEL WILLIAMS, a Certified  
Shorthand Reporter and Notary Public of the  
State of New York do hereby certify that the  
foregoing is a true and accurate transcript of  
the within proceedings, to the best of my  
ability.

\_\_\_\_\_  
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