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Attorneys for RCN Corporation, et al.,
Reorganized Debtors

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11
: Case No. 04-13638 (RDD)
RCN CORPORATION, et al., : Jointly Administered
:
Reorganized Debtors.:
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**STIPULATION AND CONSENT ORDER BETWEEN RCN
CORPORATION AND MARIE DEWEES RELATING TO
PROOF OF CLAIM NO. 395**

This Stipulation and Consent Order (the "Stipulation")
is entered into by and between RCN Corporation ("RCN"), one of
the reorganized debtors in the above-captioned cases, and Marie
DeWees ("DeWees" and, together with RCN, the "Parties").

WHEREAS, on May 27, 2004 (the "Petition Date"), RCN
filed a voluntary petition for relief under chapter 11 of title
11 of the United States Code, 11 U.S.C. §§ 101-1330 (as amended,
the "Bankruptcy Code") in the United States Bankruptcy Court for
the Southern District of New York; and

WHEREAS, prior to the Petition Date, DeWees commenced
an action against RCN and two of its former officers
(collectively, the "Defendants") in Law Division, State of New

Jersey, County of Mercer (the "State Court Action"), in which DeWees alleged gender and age discrimination, which action is currently pending and is unresolved; and

WHEREAS, DeWees timely filed a proof of claim against RCN ("Claim No. 395") in the amount of \$4,525,000 on account of the claims underlying the State Court Action; and

WHEREAS, on or about October 7, 2004, RCN objected to Claim No. 395 in its Second Omnibus Objection Pursuant to 11 U.S.C. §§ 502(b) and 510(b) and Fed. R. Bankr. P. 3003 and 3007; and

WHEREAS, on November 17, 2004, this Court entered the Order With Respect To Debtors' Second Omnibus Objection Pursuant To 11 U.S.C. §§ 502(b) And 510(b) And Fed. R. Bankr. P. 3003 And 3007 To Claims (Docket No. 391), in which, among other things, Claim No. 395 was disallowed in its entirety and expunged (the "Expungement Order"); and

WHEREAS, on December 8, 2004, this Court confirmed the Joint Plan Of Reorganization Of RCN Corporation And Certain Subsidiaries, dated October 12, 2004 (the "Plan"); and

WHEREAS, on or about September 21, 2005, DeWees filed a motion with this Court seeking (a) relief from the Expungement Order with respect to Claim No. 395 and (b) the lifting of the automatic stay to allow her to proceed with the State Court Action; and

WHEREAS, in an effort to avoid expenses and delay of litigation, the Parties agreed to enter into this Stipulation.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Stipulation, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by and between the Parties as follows:

1. Claim No. 395. Upon entry of this Stipulation on the docket of this Court, pursuant to F.R.Civ.P. 60(b), made applicable to these cases by Fed. R. Bankr. P. 9024, Claim No. 395 shall be reinstated on RCN's claims docket and deemed allowed as a general unsecured claim in the amount of \$1,960,000.

2. Plan Treatment. Claim No. 395 shall be classified as a Class 5 Claim under the Plan, entitled, in accordance with the provisions of the Plan, in its full and final satisfaction, to a distribution of its *pro rata* share of RCN's New Common Stock (as defined in the Plan) and shall not be entitled to any other distributions from RCN's estate or from the reorganized RCN.

3. Distribution. The distribution on account of Claim No. 395 shall be made no later than the later of (a) 10 calendar days following the date the Court so-orders this Stipulation and (b) the date the seven-day revocation period

referred to in paragraph 10 below expires without DeWees' revocation (the "Payment Date") as follows: (a) 40,000 shares of New Common Stock to DeWees and (b) 20,000 shares of New Common Stock to Green & Savits, LLC and associated counsel that will be specifically identified to RCN prior to such date, in each case, to the respective accounts designated by each recipient. If a stock split occurs prior to the Payment Date, the distribution shall be recalculated to reflect such stock split and adjusted accordingly.

4. State Court Action. Upon the entry of this Stipulation of the docket of the Court, DeWees shall take any and all actions necessary to have the State Court Action dismissed with prejudice with respect to all Defendants.

5. Release and Waiver. Upon the entry of this Stipulation on the docket of the Court, (a) DeWees shall be deemed to have released each of the three Defendants, as well as all of RCN's subsidiaries, affiliates and each of their present and former directors, officers, shareholders, agents, representatives, employees, successors and assigns (collectively, the "Released Parties"), to the fullest extent allowable by law, from all claims, charges, causes of action and damages existing from the beginning of time, and to have waived any and all right to proceed against the Released Parties at law or in equity in any forum, other than to enforce the terms of

this Stipulation in this Court; and (b) DeWees' undersigned counsel shall be deemed to have waived any and all claim to counsel fees in connection with any of the foregoing.

6. No Admission of Liability. Neither this Stipulation nor the allowance of Claim No. 395 shall in any way represent admission of liability with respect to any allegations asserted by DeWees in the State Court Action or otherwise.

7. Authority and Representations. The Parties represent and warrant to each other that: (i) the signatories to this Stipulation are authorized to execute this Stipulation; (ii) each has full power and authority to enter into this Stipulation; and (iii) this Stipulation is duly executed and delivered, and constitutes a valid, binding agreement in accordance with its terms.

8. Binding Nature. This Stipulation (i) shall inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns and (ii) shall be binding upon and enforceable against the Parties and their respective successors and assigns upon the entry of this Stipulation on the docket of this Court.

9. Non-Severability. The provisions of this Stipulation are mutually interdependent, indivisible and non-severable.

10. Consideration Period. Because the release and waiver DeWees is providing herein includes a release and waiver of any and all rights and claims she may have arising out of her employment and the termination of her employment with RCN, including, without limitation, any and all rights and claims under the Age Discrimination in Employment Act of 1967, as amended, DeWees acknowledges the following: (a) she has been advised that she may take up to 21 days from her receipt of a copy of this Stipulation to consider its meaning and effect and to determine whether or not she wishes to enter into it, and if she executes the same in less than 21 days, she is doing so voluntarily; (b) by this Stipulation, DeWees has been advised to consult, and has consulted, with an attorney of her own choosing; and (c) DeWees may revoke her signature within seven days after signing this Stipulation by delivering written notice of her revocation to the undersigned counsel for RCN, but if she does so revoke, this Stipulation will not become effective, and the distributions provided herein will not be made.

11. Effective Date. This Stipulation may be executed in one or more counterparts and by facsimile, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to all Parties, the seven day

revocation period has expired without DeWees' revocation, and the Court has entered the Stipulation on its docket.

12. Retention of Jurisdiction. The Court shall retain exclusive jurisdiction to interpret, implement and enforce the provisions of this Stipulation.

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IN WITNESS WHEREOF, the Parties have executed this
Stipulation on November 29, 2005.

MILBANK, TWEED, HADLEY & McCLOY LLP

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MARIE DEWEES

By: /s/ Marie Dewees

GREEN & SAVITS, LLC

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Attorneys for Marie DeWees.

So Ordered on November 30, 2005

/s/Robert D. Drain
ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY JUDGE