

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
 In re :
 : Chapter 11 Case Nos.
 RHYTHMS NETCONNECTIONS INC., *et al.*, : 01-14283 (BRL)
 : through
 Debtors. : 01- 14287 (BRL)
 :
 -----X (Jointly Administered)

**NOTICE OF COMMENCEMENT OF CHAPTER 11
CASES AND MEETING OF CREDITORS PURSUANT
TO SECTION 341 OF THE BANKRUPTCY CODE**

Address of Debtors:

Rhythms NetConnections Inc.
9100 E. Mineral Circle
Englewood, CO 80012

Rhythms Links Inc.
9100 E. Mineral Circle
Englewood, CO 80012

Rhythms Links Inc. – Virginia
9100 E. Mineral Circle
Englewood, CO 80012

Rhythms Leasing Inc.
9100 E. Mineral Circle
Englewood, CO 80012

RCanada, Inc.
9100 E. Mineral Circle
Englewood, CO 80012

Attorneys for Debtors:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153
Attn: Paul M. Basta

Attorneys for Creditor's Committee:

Milbank, Tweed, Hadley & McCloy, LLP
1 Chase Manhattan Plaza
New York, NY 10005-1413
Attn: Dennis F. Dunne

MEETING OF CREDITORS

Date: October 3, 2001
Time: 11:30 a.m.

Location: 80 Broad Street – 2nd Floor
New York, NY 10004

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- LEG _____
- OPC _____
- PAI _____
- RGO _____
- SEC _____
- SER _____
- OTH _____

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DOCUMENT NUMBER-DATE

11971 SEP 24 06

FPSC-COMMISSION CLERK

G. Montoya

TO ALL INTERESTED PARTIES:

COMMENCEMENT OF CASES: On August 1, 2001, Rhythms NetConnections Inc., Rhythms Links Inc., Rhythms Links Inc. – Virginia, Rhythms Leasing Inc., and RCanada, Inc. (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq* (the “Bankruptcy Code”) with the United States Bankruptcy Court for the Southern District of New York (the “Court”). The Debtors’ chapter 11 cases are being jointly administered under Case No 01-14283 (BRL). You will not receive notice of all documents filed in these cases. All documents filed with the Court, including lists of the Debtors’ property and debts, are available for inspection at the office of the clerk of the court listed below. Since this case is governed by the Court’s General Order dated June 26, 1997 regarding electronic means of filing, signing and verifying documents, the Court’s docket sheet and documents filed electronically are also accessible at the Court’s Internet site, www.nysb.uscourts.gov, through an account obtained from Pacer Service Center at 1-800-676-6856.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS: A creditor is anyone to whom the Debtors owe money or property. Under the Bankruptcy Code, the Debtors are granted certain protection against creditors. Common examples of prohibited actions by creditors are contacting the Debtors to demand repayment, taking action against the Debtors to collect money owed to creditors or to take property of the Debtors, and starting or continuing foreclosure actions, repossessions or wage deductions. If unauthorized actions are taken against the Debtors, the Court may penalize that creditor. A creditor who is considering taking action against the Debtors or property of the Debtors should review section 362 of the Bankruptcy Code and may wish to seek legal advice. The staff of the Clerk of the Court is not permitted to give legal advice.

MEETING OF CREDITORS. The Debtors’ representative, as specified in Federal Rule of Bankruptcy Procedure 9001(5), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. At the meeting, creditors may examine the Debtors and transact such other business as may properly come before the meeting. The meeting may be continued or adjourned from time to time by notice at the meeting, without further written notice to creditors.

PROOF OF CLAIM. Schedules of creditors will be filed pursuant to Federal Rule of Bankruptcy Procedure 1007. Any creditor holding a scheduled claim which is not listed as disputed, contingent, or unliquidated as to amount may, but is not required to, file a proof of claim in these cases. Creditors whose claims are not scheduled or whose claims are listed as disputed, contingent, or unliquidated as to amount and who desire to participate in these cases or share in any distribution must file their proofs of claim. A creditor who desires to rely on the schedules of creditors has the responsibility for determining that the claim is listed accurately. A proof of claim form and the deadline notice will be sent to you at a later date. A deadline for the last day for filing proofs of claim has not yet been established. **Please do not file or mail any proofs of claim or**

other documentation including correspondence concerning a claim with anyone including the Bankruptcy Court and/or the United States Trustee until you are instructed when and where you are to file a proof of Claim.

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the Bankruptcy Code enables a debtor to reorganize pursuant to a plan. A plan is not effective unless approved by the Court at a confirmation hearing. Creditors will be given notice concerning any plan, or in the event these cases are dismissed or converted to another chapter of the Bankruptcy Code. The Debtors will remain in possession of their properties and will continue to operate their business unless a trustee is appointed.

Dated: New York, New York
August 30, 2001

Kathleen Farrell, Clerk
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004-1408

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re :
: Chapter 11 Case Nos.
RHYTHMS NETCONNECTIONS INC., *et al.*, : 01-14283 (BRL)
: through
Debtors. : 01- 14287 (BRL)
: :
-----X (Jointly Administered)

NOTICE OF MOTION TO RETAIN FINANCIAL ADVISORS

PLEASE TAKE NOTICE that a hearing on the attached Application of the Debtors for authorization to employ Lazard Frères & Co. LLC as investment banker (the “Lazard Application”), and the attached Application of the Official Committee of Unsecured Creditors (the “Committee”) for authorization to employ Jefferies & Company, Inc. as financial advisor (the “Jefferies Application” and, together with the Lazard Application, the “Applications”) will be held before Honorable Burton R. Lifland, United States Bankruptcy Judge, in Room 625 of the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), One Bowling Green, New York, New York, on September 11, 2001 at 10:00 a.m. (EDT) (the “Hearing”).

PLEASE TAKE FURTHER NOTICE that the Applications contain indemnification provisions which may bar certain actions against the retained professionals by the creditors of the Debtors.¹

¹ As of the date of this Notice, the United States Trustee has not consented to either the Lazard Application or the Jefferies Application. Both Applications are currently being discussed with the United States Trustee, who reserves her rights to object to either or both Applications if all issues are not resolved prior to the date of the Hearing.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Applications must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, and shall be filed with the Bankruptcy Court electronically in accordance with General Order M-182 (General Order M-182 and the User's Manual for the Electronic Case Filing System can be found at www.nysb.uscourts.gov, the official website for the Bankruptcy Court), by registered users of the Bankruptcy Court's case filing system and, by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), Wordperfect or any other Windows-based word processing format (with a hard-copy delivered directly to Chambers), and shall be served in accordance with General Order M-182, upon (i) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Paul M. Basta, Esq.), (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st floor, New York, New York 10004 (Attn: Tracy H. Davis, Esq.), and (iii) Milbank, Tweed, Hadley & McCloy, LLP, One Chase Manhattan Plaza, New York, New York 10005-1413 (Attn: Dennis Dunne, Esq.) so as to be received no later than September 7, 2001, at 4:00 p.m.

PLEASE TAKE FURTHER NOTICE that if you do not object by the objection deadline above, your rights to subsequently object to the compensation of these retained professionals will be affected and subject to the heightened standards enumerated in Section 328 of the United States Bankruptcy Code.

Dated: New York, New York
August 28, 2001

**United States Bankruptcy Court
Southern District of New York
Manhattan Division
One Bowling Green
New York, NY 10004-1408**

NOTICE OF ELECTRONIC FILING PROCEDURE

Case Name: RHYTHMS NETCONNECTIONS INC., et al.

Case Number: 01-14283 (BRL) through 01-14287(BRL)
(Jointly Administered)

Date Commenced: August 1, 2001

These cases will be docketed exclusively on the court's Electronic Case Filing System. The system can be accessed via the Internet utilizing an attorney password. In compliance with Federal Rules of Civil Procedure Rule 11 and in accordance with Local Bankruptcy Rule 9011-1, the attorney's password shall constitute the signature of the attorney; therefore security of a password issued to an attorney is the responsibility of that attorney. An original signed copy of the filing shall be maintained in the attorney's files. A chamber's copy of all filed documents is required and all parties with legal representation must file documents in accordance with the following:

1. The requirements for filing, viewing and retrieving case documents are: A personal computer running any standard Windows platform; an Internet provider, Netscape Navigator and Adobe Exchange software to convert documents from a word processor format to a portable document format (PDF). The URL address is www.nysb.uscourts.gov and a password is needed to access this system. If you are unable to comply with this requirement, then
2. You must submit documents on a diskette using PDF format. The adobe software will provide this format. Further instruction may be found in the Adobe's manual. Use a separate diskette for each filing. Submit the diskette in an envelope with the case name, case number, type and title of document, and the file name on the outside of the envelope. If you are unable to comply with this requirement, or requirement number 1, then
3. You must submit your documents on a diskette using one of the following formats: Word, Wordperfect, or DOS text (ASCII). If you are unable to comply with this requirement, or requirements 1 or 2, then
4. You must submit an affidavit of your inability to file in either of the above formats. You may then file conventionally on unstapled, unbound, single-sided paper. Include your affidavit with your filing,

*** DO NOT SUBMIT CLAIMS THROUGH THE COURT'S ELECTRONIC FILING SYSTEM AT THIS TIME.**

For assistance call (212) 668-2870 ext. 3920 or to schedule training, call ext. 3580, Monday - Friday, 8:30 a.m. - 5:00 p.m. EST.

Dated: August 31, 2001

Kathleen Farrell, Clerk of Court