

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

020000

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

**NOTICE OF FIXING ADMINISTRATIVE EXPENSE  
BAR DATE AND PROCEDURES FOR FILING  
PROOFS OF CLAIM FOR ADMINISTRATIVE EXPENSES**

TO ALL PERSONS AND ENTITIES ASSERTING ADMINISTRATIVE EXPENSE  
CLAIMS AGAINST THE ESTATES OF ANY OF THE ABOVE-CAPTIONED  
DEBTORS

PLEASE TAKE NOTICE THAT on January 3, 2002, the Court entered an  
order (the "Administrative Expense Bar Date Order") establishing February 4, 2002 at  
4:00 p.m. (EDT) (the "Administrative Expense Bar Date"), as the last date and time for  
the filing of proofs of claim for Administrative Expenses against Rhythms  
NetConnections Inc., Rhythms Links Inc. - Virginia, Rhythms Links Inc., Rhythms  
Leasing Inc., and RCanada, Inc. (collectively, the "Debtors"). The Administrative  
Expense Bar Date and the procedures set forth below for the filing of proofs of claim  
apply to all Administrative Expense claims against the Debtors that arose or will arise  
between August 2, 2001 and the Administrative Expense Bar Date (the "Administrative  
Expense Period").

**1. WHO MUST FILE A PROOF OF CLAIM**

You **MUST** file a proof of claim if you believe that you are entitled to an  
Administrative Expense claim that arose during the Administrative Expense Period, and  
such claim is not one of the type described in section 2 below.

Administrative Expense claims are specifically described in section 503  
and 507 of the Bankruptcy Code. Among other things, these sections provide that certain  
types of claims are entitled to administrative expense priority, including, without  
limitation: (i) the actual, necessary costs and expenses of preserving the estate, including  
wages, salaries or commissions for services rendered after the commencement of the  
bankruptcy case; (ii) certain taxes and penalties related thereto; (iii) compensation and  
reimbursement of certain officers; (iv) the actual, necessary expenses incurred by (a)

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certain creditors, (b) a creditor, an indenture trustee, an equity security holder, or a committee representing any such entities, in making a substantial contribution to a debtor's chapter 11 case, (c) a custodian, (d) members of a certain committees if incurred in the performance of the duties of such committee; and (v) compensation for services rendered by an indenture trustee.

## 2. **WHO SHOULD NOT FILE A PROOF OF CLAIM**

You should not file a proof of claim if:

- A. You have already properly filed your Administrative Expense claim;
- B. Your Administrative Expense claim has been previously allowed by an order or orders of the Bankruptcy Court;
- C. You are one of the Debtors or an affiliate of any of the Debtors and you hold an Administrative Expense claim against any of the other Debtors or any of their affiliates;
- D. You are a professional retained by any of the Debtors or the statutory committee of unsecured creditors appointed in these chapter 11 cases pursuant to section 327 of the Bankruptcy Code;
- E. You are asserting an administrative expense claim which arises and is due and payable in the ordinary course of the Debtors' businesses. This exception does not apply to those administrative expenses which remain outstanding and unpaid by the Debtors beyond ordinary business terms or prior course of business dealings.

If your claim falls within any of the above categories, your rights as the holder of such claim will be preserved without your filing of a proof of claim. Any other person or entity must file a proof of claim, as described herein, before February 4, 2002.

## 4. **WHEN AND WHERE TO FILE**

Except as provided for herein, proofs of claim must be filed so as to be received on or before **February 4, 2002 at 4:00 p.m., (EDT)**, at either of the following addresses (the "Rhythms' Claims Processing Center"):

### **IF SENT BY MAIL**

United States Bankruptcy Court for  
the Southern District of New York  
Rhythms Net Claims Processing Center  
P.O. Box 5019  
New York, New York 10274-5019

### **IF SENT BY OVERNIGHT COURIER**

United States Bankruptcy Court for  
the Southern District of New York  
Rhythms Net Claim Processing Center  
One Bowling Green  
New York, New York 10004-1408

Note that proofs of claim will be deemed timely filed only if **actually received** at the Rhythms' Claims Processing Center (at either listed above) on or before the Administrative Expense Bar Date. Proofs of claim may not be delivered by facsimile or telecopy.

## **5. WHAT TO FILE**

If you file a proof of claim, your filed proof of claim must: (i) be written in the English language; (ii) be denominated in lawful currency of the United States as of August 2, 2001; and (iii) conform substantially with the proof of claim form, annexed hereto.

If you assert Administrative Expense claims against more than one of the Debtors, you should file a separate Administrative Expense claim for each Debtor. You should not include Administrative Expense claims against more than one Debtor on a single proof of claim.

You should attach to your completed proof of claim form copies of any writings upon which such administrative expense claim is based.

**EXCEPT WITH RESPECT TO CLAIMS OF THE TYPE SET FORTH IN SECTION 2 ABOVE, ANY CREDITOR WHO FAILS TO FILE A PROOF OF CLAIM ON OR BEFORE FEBRUARY 4, 2002, FOR ANY CLAIM SUCH CREDITOR HOLDS OR WISHES TO ASSERT AGAINST THE DEBTORS WILL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM ASSERTING SUCH ADMINISTRATIVE EXPENSE CLAIM (OR FILING A PROOF OF CLAIM WITH RESPECT TO SUCH ADMINISTRATIVE EXPENSE CLAIM) AGAINST THE DEBTORS AND THE DEBTORS' PROPERTY WILL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH ADMINISTRATIVE EXPENSE CLAIM.**

**A CLAIMANT SHOULD CONSULT AN ATTORNEY REGARDING ANY  
INQUIRIES, SUCH AS WHETHER SUCH CLAIMANT SHOULD FILE A  
PROOF OF CLAIM.**

DATED: New York, New York  
January 3, 2002

WEIL, GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
(212) 310-8000

-and-

BROWNSTEIN HYATT & FARBER, P.C.  
410 17th Street, 22nd Floor  
Denver, Colorado 80202  
(303) 223-1100

ATTORNEYS FOR DEBTORS AND  
DEBTORS IN POSSESSION

| <b>United States Bankruptcy Court</b><br>Southern District of New York   |  | <b>ADMINISTRATIVE EXPENSE CLAIM</b>     |  |
|--|--|---|--|
| In re (Name of Debtor)   | Case Number  |   |  |
| This form should be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.  |  |   |  |
| Name of Creditor<br><i>(The person or other entity to whom the debtor owes money or property)</i>  | <input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy or statement giving particulars.<br><br><input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case.<br><br><input type="checkbox"/> Check box if this address differs from the address on the envelope sent to you by the court. |   | <b>02 JAN - 8 AM 11:27</b><br><b>DISTRIBUTION CENTER</b><br><br>THIS SPACE IS FOR COURT USE ONLY |
| Name and Address Where Notices Should be Sent  | Telephone No.  |   |  |
| ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:   | Check here <input type="checkbox"/> replaces if this claim <input type="checkbox"/> amends a previously filed claim, dated _____   |   |  |
| <b>1. BASIS FOR CLAIM</b><br><input type="checkbox"/> Goods sold<br><input type="checkbox"/> Services performed<br><input type="checkbox"/> Money loaned<br><input type="checkbox"/> Personal injury/wrongful death<br><input type="checkbox"/> Taxes<br><input type="checkbox"/> Other (describe briefly) |  |   |  |
| <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a)<br><input type="checkbox"/> Wages, salaries, and compensation (Fill out below)<br>Your social security number _____<br>Unpaid compensation for services performed from _____ (date) to _____ (date)                            |  |   |  |
| <b>2. DATE DEBT WAS INCURRED</b>   | <b>3. IF COURT JUDGMENT, DATE OBTAINED:</b>  |   |  |
| 4. Pursuant to 11 U.S.C. § 503(a), "an entity may timely file a request for payment of an administrative expense, or may tardily file such request if permitted by the court for cause." 11 U.S.C. § 503(b) describes those administrative expenses which may be allowed in a debtor's chapter 11 case.    |  |   |  |
| <b>5. TOTAL AMOUNT OF CLAIM</b><br><br>\$ _____<br><br><input type="checkbox"/> Check this box if claim includes charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges   |  |   |  |
| <b>6. SUPPORTING DOCUMENTS:</b> Attach copies of supporting documents. If the documents are not available, explain. If the documents are voluminous, attach a summary.   |  | <b>THIS SPACE IS FOR COURT USE ONLY</b> |  |
| <b>7. TIME-STAMPED COPY:</b> To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.   |  |   |  |
| Date:  | Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power attorney, if any)   |   |  |

Penalty for presenting fraudulent claim: Fine of up to \$500,000.00 or imprisonment for up to 5 years, or both 18 U.S.C § § 152 & 3571