

ORIGINAL

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**
: **01- 14287 (BRL)**
: :
Debtors. : **(Jointly Administered)**
: :
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**NOTICE OF ENTRY OF ORDER CONFIRMING THE
DEBTORS' AMENDED PLAN OF LIQUIDATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

PLEASE TAKE NOTICE:

1. On February 26, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") entered the Order (the "Confirmation Order") Confirming the Debtors' Amended Plan of Liquidation Under Chapter 11 of the Bankruptcy Code (the "Plan"). The Confirmation Order confirms the Plan proposed by Rhythms NetConnections Inc. ("Rhythms"), Rhythms Links Inc., Rhythms Links Inc. – Virginia, Rhythms Leasing Inc., and RCanada, Inc., as debtors and debtors-in-possession (collectively, the "Debtors"). Unless otherwise defined in this notice, capitalized terms used in this notice shall have the meanings ascribed to them in the Plan and the Confirmation Order.

Effective Date

2. The Effective Date of the Plan is March 11, 2002. Creditors will receive distributions in accordance with the Plan. Except as otherwise provided in the Confirmation Order or the Plan, as of the Effective Date of the Plan, (a) the provisions of the Plan are binding upon the Debtors, any entity acquiring property under the Plan and any creditor or Equity Interest holder of the Debtors, whether or not the Claim or Equity Interest of such creditor or Equity Interest holder is impaired under the Plan and whether or not such creditor or Equity Interest holder has accepted the Plan, (b) persons are permanently enjoined from commencing or continuing in any manner any action or proceeding (whether directly, indirectly, derivatively or otherwise) on account of or respecting any Claim, debt, right or cause of action of the Debtors (i) for which the Debtors retains sole and exclusive authority in accordance with the Plan, or (ii) which has

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been released pursuant to the Plan, and (c) all the property of the Debtors' estates are vested in the Debtors, free and clear of all liens, Claims, encumbrances, and interests.

Claims Objections

3. As of the Effective Date, only the Debtors will have the authority to file objections, settle, compromise, withdraw, or litigate to judgment objections to Claims or Equity Interests and to request that the Bankruptcy Court estimate any contingent or unliquidated Claim.

Professional Compensation

4. All applications for final allowances of compensation and reimbursement of expenses pursuant to sections 327, 328, 330, 503(b), and 1103 of the Bankruptcy Code for professional services rendered up to the Effective Date must be filed with the Bankruptcy Court on or before 60 days after the Effective Date, together with proof of service, and served on (i) Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Tracy Hope Davis) and (ii) Milbank, Tweed, Hadley & McCloy, LLP, 1 Chase Manhattan Plaza, New York, New York 10005-1413, Attention: Dennis F. Dunne, Esq., and (iii) all parties who have filed notices of appearance in these chapter 11 cases pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure.

5. The Final Fee Hearing has been scheduled to take place before the Honorable Burton R. Lifland, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, NY 10004 on April 23, 2002 at 10:00 a.m. (EDT) or as soon thereafter as counsel may be heard (the "Final Fee Hearing"). The Final Fee Hearing may be adjourned without further notice other than an announcement at the Final Fee Hearing or at an adjourned Final Fee Hearing.

6. Objections, if any, to any Final Fee Applications shall be filed with the Court, together with proof of service thereof, and served upon the applicant, the Debtors and the parties identified in paragraph 4 of this notice, so as to be received not later than 4:00 p.m. EST on April 18, 2002.

Dated: New York, New York
March 18, 2002

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Debtors-in-Possession
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