

09-23-1998

TO 97033087124

P.02/02

HEET



100879311

To the Honorable Commissioner of Patents

ocuments or copy thereof.

1. Name of conveying party(ies):

21st Century Telecom Group, Inc.

- Individual Association
- General Partnership Limited Partnership
- Corporation - State: Illinois
- Other: _____

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

MRD 8-20-98

- Assignment Merger
- Security Agreement Change of Name
- Other: _____

Execution Date: August 5, 1998

2. Name and address of receiving party(ies):

Name: BankBoston NA

Internal Address: _____

Street Address: 100 Federal Street

City: Boston State: MA Zip: 02110

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation - State: _____
- Other: National Association

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment)

Additional name(s) & address(es) attached Yes No

4. Application number(s) or registration number(s)

A. Trademark Application No.(s)

75/178655
75/207331

B. Trademark Registration No.(s)

2,153,565

Additional numbers attached? yes no

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Catherine R. Howell, Paralegal

Internal Address: Ropes & Gray

Street Address: 1301 K St., N. W., Suite 800 East

City: Washington, D.C. State: Zip: 20005

6. Total number of applications and registration involved:

[3]

7. Total Fee (37 CFR 3.41) \$ 90

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

18-1945 90E

Do Not Use This Space

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Catherine R. Howell *Catherine R. Howell*

August 20, 1998

Total number of pages including cover sheet, attachments and document: [6]

TRADEMARK AND SERVICE MARK SECURITY AGREEMENT

This Agreement between 21st Century Telecom Group, Inc., an Illinois corporation (the "Parent"), located at World Trade Center-Chicago, 350 N. Orleans, Suite 600, Chicago, Illinois 60654, and BankBoston, N.A., as agent (the "Agent"), located at 100 Federal Street, Boston, Massachusetts 02110, acting for itself and certain other lenders under the Credit Agreement dated as of August 5, 1998 as from time to time in effect (the "Credit Agreement"), among the Parent, certain of its subsidiaries, certain lenders party thereto and the Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein with the meanings so defined.

1. **Grant of Security Interest.** The Parent hereby grants to the Agent and its successors and assigns a security interest in the items referred to below, whether now owned or hereafter acquired, and all proceeds thereof (collectively, the "Collateral"):

1.1. All of the right, title and interest of the Parent in and to all trademarks and service marks (collectively, the "Marks"), registrations for the Marks (collectively, the "Registrations") and all trademark and service mark applications for the Marks (collectively, the "Applications"). Such Registrations and Applications shall include without limitation all existing United States registrations and applications of the Parent described in Exhibit A hereto.

1.2. The goodwill of the business of the Parent symbolized by each of the Marks.

1.3. All right, title and interest of the Parent in and to any cause of action that has heretofore arisen or that may arise with respect to unconsented use or infringement of the Marks, the Registrations or the Applications.

2. **Further Assurances.** The Parent shall execute, or use its best efforts at its expense to cause to be executed, such further documents as may be reasonably requested by the Agent in order to effectuate fully the grant of security interest set forth in Section 1 hereof.

3. **Foreclosure.** Upon the occurrence and during the continuance of an Event of Default, in addition to all other rights and remedies granted by this Agreement, the Agent may exercise the rights and remedies of a secured party enacted in any of the jurisdictions in which the Collateral may be located. Without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default, without demand or notice (except as set forth next below), all of which are waived, and without advertisement, the Agent may sell at public or private sale or otherwise realize upon, in The Commonwealth of Massachusetts or elsewhere, all or from time to time any of the Collateral, or any interest

332262.02

which the Parent may have therein. Notice of any sale or other disposition of the Collateral shall be given to the Parent at least 10 days before the time of any intended public or private sale or other disposition of the Collateral is to be made, which the Parent agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of any Credit Obligation or the Agent may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral (including associated goodwill), free from any right of redemption on the part of the Parent, which right is waived and released. After deducting from the proceeds of sale or other disposition of the Collateral and associated goodwill all expenses (including reasonable expenses for brokers' fees and legal services), the balance of such proceeds shall be applied toward the payment of the Credit Obligations. Any remainder of the proceeds after payment in full of the Credit Obligations shall be paid over to the Parent.

4. Defeasance. At such time as the Borrower shall have 50,000 Total Subscribers and shall have furnished written notice thereof to the Agent:

(a) The Agent shall, at the Parent's expense, release the security interest in the Collateral granted under this Agreement and execute and deliver such instruments and other documents and take such further actions as may be necessary to carry out such release, including cancellation of this Agreement by written notice to the U.S. Patent and Trademark Office.

(b) The Parent and the Borrower shall execute an agreement (the "License Agreement") in which the Parent grants to the Borrower the right to use the Marks, the Registrations and the Applications applicable to the Borrower and the Parent shall consent to the collateral assignment by the Borrower to the Agent of the License Agreement, including the right to enforce performance of the provisions of the License Agreement for the Agent's and the Lenders' benefit upon the occurrence and during the continuance of an Event of Default or a default by Borrower under the License Agreement, provided the Agent complies with all provisions of the License Agreement.

(c) The Parent further consents to (i) any subsequent assignment of the License Agreement by the Agent or any subsequent assignee through the Agent upon and after the exercise of the Agent's rights and enforcement of the Agent's remedies under the Credit Agreement and this Agreement, at law, in equity or otherwise and (ii) the right of such subsequent assignee to enforce performance of the provisions of the License Agreement, provided that each such subsequent assignee complies with all provisions of the License Agreement.

5. General.

5.1. No course of dealing between the Parent and the Agent, nor any failure to exercise, nor any delay in exercising on the part of the Agent, any right, power or privilege

332242.m

-2-

hereunder or under the Credit Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any right, power or privilege.

5.2. All of the Agent's rights and remedies with respect to the Collateral, whether established hereby or by the Credit Agreement, or by any other agreement or by law shall be cumulative and may be exercised singularly or concurrently.

5.3. If any clause or provision of this Agreement shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

5.4. This Agreement is subject to modification only by a writing signed by the parties.

5.5. The benefits and obligations of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

5.6. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws (other than the conflict of laws rules) of The Commonwealth of Massachusetts.

5.7. This Agreement is a Credit Document (as defined in the Credit Agreement) and may be executed in any number of counterparts, which together shall constitute one instrument.

[The rest of this page is intentionally blank.]

Each of the undersigned has caused this Agreement to be signed by its duly authorized officer this 5 day of August, 1998.

21ST CENTURY TELECOM GROUP, INC.

By Ronald Allister
Title: CFO

BANKBOSTON, N.A.,
as Agent under the Credit Agreement

By Robert H. Lord
Title: MANAGING DIRECTOR

372842.02

-4-

AUG 4 '98 18:51

ROPES & GRAY PAGE.005

AUG 14 1998 16:43

TRADEMARK PAGE.06
REEL: 1791 FRAME: 0688

EXHIBIT A

<u>Mark</u>	<u>Application #</u>	<u>Registration #</u>
The Future is Moving in Our Direction 21st Century and Design 21st Century Technology Group, Inc.	75/178655 75/207331	2,153,565

3325489.01