



06-15-2001

05-31-2001



U.S. Patent & TMO/TM Mail Rpt Dt. #57

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HEET

101749942

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

Conveyance Type

New 5-31-01

Resubmission (Non-Recordation)
Document ID #

Correction of PTO Error
Reel # Frame #

Corrective Document
Reel # Frame #

Assignment License

Security Agreement Nunc Pro Tunc Assignment

Merger

Effective Date
Month Day Year

Change of Name

Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AK/A

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation Association

Other

Citizenship/State of Incorporation/Organization

06/14/2001 GTON11 00000071 75867286

FOR OFFICE USE ONLY

01 FC:481 40.00 00
02 FC:482 25.00 00

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Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text" value="75/867,286"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75/867,287"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

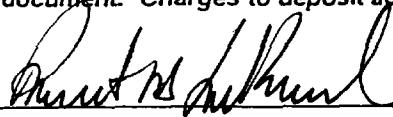
Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

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. Charges to deposit account are authorized, as indicated herein.

Robert H. G. Lockwood
Name of Person Signing


Signature

5/30/01
Date Signed

FSM TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of March 30, 2001, by FS MULTIMEDIA, INC., a North Carolina corporation ("Grantor"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, a New York corporation, in its capacity as Agent for Lenders.

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement, dated as of the date hereof, by and among Grantor, BUSINESS TELECOM, INC., a North Carolina corporation ("Borrower"), the other Persons signatory thereto as Credit Parties, Agent and certain other Persons signatory thereto from time to time as Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have agreed to make a certain Loan to Borrower;

WHEREAS, Agent and Lenders are willing to make the Loan as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Agent, for itself and the ratable benefit of Lenders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement and Annex A thereto.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Agent, on behalf of itself and Lenders, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of the Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and

(d) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of itself and Lenders, pursuant to the Credit Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Credit Agreement and related Loan Documents, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

FS MULTIMEDIA, INC.

By: B.K.B.
Name: Brian K Branson
Title: CFO

ACCEPTED AND ACKNOWLEDGED BY:

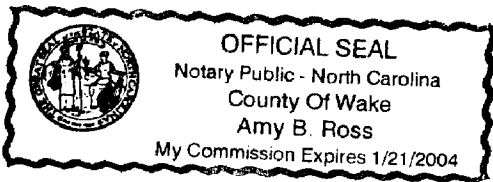
GENERAL ELECTRIC CAPITAL
CORPORATION, as Agent

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT OF GRANTOR

STATE OF NC)
COUNTY OF Wake) ss.

On this 30th day of March, 2001 before me personally appeared Brian K. Branson proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Business Telecom, Inc. who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.



Amy B. Ross
Notary Public

{seal}

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

FS MULTIMEDIA, INC.

By: _____
Name: _____
Title: _____

ACCEPTED AND ACKNOWLEDGED BY:

GENERAL ELECTRIC CAPITAL CORPORATION, as Agent

By: Stephen W. Hipp
Name: Stephen W. Hipp
Title: Authorized Signatory

ACKNOWLEDGMENT OF GRANTOR

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, ____ before me personally appeared _____, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of _____, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

{seal}

SCHEDULE I
to
FSM TRADEMARK SECURITY AGREEMENT
TRADEMARK REGISTRATIONS

TRADEMARK REGISTRATIONS
OWNED BY FS MULTIMEDIA, INC.

<u>MARK</u>	<u>INTENT FILED</u>	<u>SERIAL #</u>	<u>STATUS</u>
<u>FS MULTIMEDIA</u>	<u>December 9, 1999</u>	<u>75/867,286</u>	<u>Pending</u>
<u>FSM</u>	<u>December 9, 1999</u>	<u>75/867,287</u>	<u>Pending</u>