

Form PTO-1594
(rev 06/04)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U. S. Department of Commerce
Patent and Trademark Office

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below:

1. Name of conveying party(ies)/Execution Date(s):

Citibank, N.A.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation
 Other:

Citizenship National

Execution Date(s) March 7, 2000

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

2. Name and Address of receiving party(ies)

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

Name: RCN Corporation

Internal Address: _____

Street Address: 105 Carnegie Center

City: Princeton

State: New Jersey

Country: USA Zip: 08540

Association - Citizenship _____

General Partnership - Citizenship _____

Limited Partnership - Citizenship _____

Corporation - Citizenship Illinois

Other _____

Citizenship _____

If assignee is not domiciled in the United States, a domestic representative designation is attached Yes No.

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Government Interest Assignment
 Other: Release of Security Agreement

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

A. Trademark Application No(s).

B. Trademark Registration No(s).

2200267 2184881 2153565

Additional numbers attached? Yes No

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

Scott D. Brown, Esq.
SKADDEN, ARPS, SLATE, MEAGHER
& FLOM LLP
One Beacon Street
Boston, MA 02108-3194
Tel: (617) 573-4874
Fax: (617) 305-4874
sbrown@skadden.com

6. Total number of applications and registrations involved:

3

7. Total fee (37 CFR 1.21(h) and 3.41) \$ 90

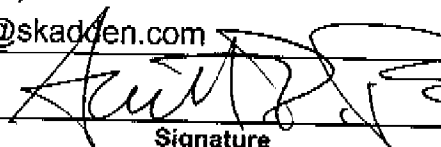
All fees and any deficiencies are authorized to be charged to Deposit Account
(Our Ref. 695410/1)

8. Payment Information

Deposit Account No. 19-2385

Authorized user Name: Faith C. Robinson

9. Signature.



Signature

Scott D. Brown, Esq.

Name of Person Signing

January 26, 2005

Date

Total number of pages including cover sheet, and documents:

8

CH \$90.00 192385 2200267

EXECUTION COPY

PARTICIPATION AGREEMENT

PARTICIPATION AGREEMENT (the "Agreement") dated as of March 7, 2000 between CITIBANK, N.A. (in its capacity as sole lender under the below-referenced Credit Agreement, the "Bank" and, in its capacity as sole lender and administrative agent under such Credit Agreement, "Citibank") and RCN CORPORATION (the "Participant").

The Bank wishes to grant to the Participant, and the Participant wishes to acquire from the Bank, without recourse to the Bank and on the other terms and conditions set forth below, a participation in (i) 100% of the Loans made by the Bank to 21st Century Telecom of Chicago Operations, Inc., an Illinois corporation (the "Borrower"), pursuant to that certain Credit Agreement dated as of August 5, 1998 (as heretofore modified and supplemented and in effect on the date hereof, the "Credit Agreement") among 21st Century Telecom Group, Inc., an Illinois corporation, the Subsidiaries of 21st Century Telecom Group, Inc. listed on the signature pages thereof, including the Borrower, and Citibank thereunder, and (ii) the collateral security and guaranties securing or guarantying the obligations of the Borrower in respect of the Loans under the Credit Agreement.

Accordingly, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

Unless otherwise defined herein, terms defined in the Credit Agreement shall have their defined meanings when used herein.

ARTICLE 2. THE PARTICIPATION

Section 2.01. The Participation. The Bank hereby sells to the Participant, and the Participant hereby purchases from the Bank, without recourse or any representation or warranty except as expressly provided herein, a participation (the "Participation") in 100% of all of the Bank's right, title and interest in, to and under the Loans made by it on the date hereof under the Credit Agreement, and in the related collateral security and guaranties under the Credit Documents, for a purchase price equal to 100% of the unpaid principal amount of such Loans. The Bank hereby represents and warrants to the Participant that the aggregate principal amount of such Loans is \$40,000,000.

Section 2.02. Payments by Bank. Subject to Section 4.05 hereof, the Bank will promptly pay to the Participant the following:

- (i) an amount equal to 100% of each amount received by the Bank in payment of principal of the Loans;
- (ii) an amount equal to 100% of each amount received by the Bank in payment of

NY3#7226274v6

TRADEMARK

REEL: 003020 FRAME: 0208

- 2 -

interest ("Paid Interest") on the Loans received by the Bank minus a portion thereof equal to the amount that would represent interest at a rate per annum (determined in accordance with the applicable provisions of the Credit Agreement) equal to ½ of 1% on the principal in respect of which such Paid Interest is paid, for the period for which such Paid Interest is paid; and

(iii) an amount equal to 100% of each other amount received by the Bank in payment of amounts owing under the Credit Agreement (including, without limitation, each amount received by the Bank pursuant to Sections 3.5, 9.1 and 9.2 of the Credit Agreement) minus, in the case of any such amounts, any of the foregoing that shall represent reimbursement of claims, damages, losses, liabilities, costs or expenses incurred by the Bank and not reimbursed by the Participant.

ARTICLE 3. CITIBANK UNDERTAKINGS

Section 3.01. Credit Documents: Information. The Participant hereby acknowledges to Citibank that it has received such copies of the Credit Documents (including amendments thereto), and of the documents delivered by the Obligors in satisfaction of the conditions to the extending credit under the Credit Agreement (including the documents and instruments delivered pursuant to Section 5 thereof) as it has determined appropriate in connection with the purchase by it of the Participation hereunder. Subject to Section 4.03 hereof, Citibank will furnish to the Participant any notices, documents or information received by it from any of the Obligors pursuant to the provisions of the Credit Documents. Citibank will request from the Obligors (to the extent that it is entitled under the Credit Documents to do so) and (if and to the extent received by Citibank from the Obligors) furnish to the Participant, such information concerning the business, affairs or financial condition of the Obligors as the Participant may reasonably request.

Section 3.02. Nonrecourse Participation. The Participation hereunder will be acquired by the Participant without recourse to the Bank and for the Participant's own account and risk. Citibank makes no representation or warranty as to, and shall have no responsibility for, the due authorization, execution or delivery of the Credit Documents by the Obligors or any other Person, the value, legality, validity, sufficiency, enforceability or collectability of the Participation, the Credit Documents or any collateral or other support for the Loans, any representation or warranty made by, or the accuracy, completeness, currentness or sufficiency of any information (or the validity, completeness or adequate disclosure of assumptions underlying any estimates, forecasts or projections contained in such information) provided (directly or indirectly through Citibank) by, the Obligors or any other Person, the performance or observance by the Obligors or any other Person (at any time, whether prior to or after the date hereof) of any of the provisions of the Credit Documents (or any of their other obligations in connection therewith), the financial condition of the Obligors or any other Person or (except as otherwise expressly provided herein) any other matter relating to the Obligors or any other Person or the Loan or the Credit Documents.

Citibank shall have no responsibility to the Participant with respect to the Loans or the Credit Documents except as herein expressly provided. In administering the Loans it is

- 3 -

understood that Citibank shall not be required to initiate any actions, notices or determinations, but shall in all events be fully protected in waiting upon instructions from the Participant (which instructions shall in any event be subject to the requirements of Section 3.03 hereof). Citibank may consult with legal counsel (including counsel for the Borrower) and independent accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in reliance on the advice of any such person.

Section 3.03. Amendments, Waivers, Exercise of Remedies. Citibank will execute and deliver such amendments to the Credit Documents, and such waivers or consents in respect thereof, and shall send such notices and exercise such other rights or remedies which Citibank may have under the Credit Documents as the Participant shall from time to time request, provided that (i) Citibank shall not be required to do any of the foregoing to the extent that the same could reasonably be expected to increase its duties or responsibilities under any of the Credit Documents, or impose additional administrative burdens upon Citibank, (ii) Citibank shall be fully justified in failing or refusing to do any of the foregoing unless it shall receive further assurances to its satisfaction from the Participant of its indemnification obligations under Section 4.04 hereof against any and all liability and expense that may be incurred by it by reason of taking or continuing to do any of the foregoing, (iii) Citibank shall not be required to exercise any rights of offset with respect to funds maintained by any of the Obligors with Citibank or any of its affiliates and (iv) Citibank shall in any event not be required to institute any legal or arbitral proceeding, or file any claims in any bankruptcy or insolvency proceedings. Citibank will not agree to any amendment, waiver or consent, or exercise any rights or remedies or take any other action whatsoever under the Credit Documents, unless such amendment, waiver, consent, action or exercise is first consented to by the Participant.

ARTICLE 4. PARTICIPANT UNDERTAKINGS

Section 4.01. Non-Reliance on Citibank. The Participant represents to and agrees with Citibank that: (a) it has made, independently and without reliance on Citibank, its own analysis of the Obligors and the Credit Documents (including without limitation its own credit analysis of the Obligors and its own legal review of the Credit Documents) and is acquiring the Participation hereunder based on (and the Participant has had access to) such documents and information as it has deemed to be appropriate and sufficient for such purpose; (b) it will continue to make its own decisions with respect to the Participation hereunder without such reliance and on such basis and will continue to have, independently from Citibank (subject to Citibank's fulfilling its obligation to furnish documents and information to the Participant as and to the extent provided in Section 3.01 hereof), access to such documents and information as it deems to be appropriate and sufficient for such purpose; and (c) it will not rely upon Citibank to furnish any documents or information regarding the credit, affairs, financial condition or business of, or any other matter concerning, the Obligors or any of their respective affiliates (including documents and information received from the Obligors under any Credit Documents or otherwise), except for documents and information expressly required to be furnished by Citibank under Section 3.01 hereof.

Section 4.02. Other Relationships. The Participant acknowledges that Citibank and its Affiliates may have commercial banking, trust or other fiduciary relationships and/or

NY3 # 723627466

TRADEMARK
REEL: 003020 FRAME: 0210

- 4 -

other business relationships, including extensions of credit, financial advisory arrangements and deposits, with the Obligors and their respective affiliates in addition to the Loans.

Section 4.03. Confidentiality. The Participant agrees, to the extent required by Section 12 of the Credit Agreement, to maintain the confidentiality of any Credit Documents or any non-public information relating to the Obligors which it may obtain from Citibank in connection herewith. Anything in this Agreement to the contrary notwithstanding, Citibank shall not be obligated (except for the documents and information expressly required to be furnished by Citibank under Section 3.01 hereof) to disclose to the Participant any information of a confidential nature relating to the Loan or the Obligors.

Section 4.04. Indemnification. The Participant hereby agrees to indemnify Citibank, and each of its affiliates and their respective directors, officers, employees, attorneys and agents from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to the Loans, or the sale of the Participation in the Loans to the Participant hereunder, including, without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence or willful misconduct of the Person to be indemnified).

Section 4.05. Withholding Taxes. The Participant represents that it is entitled to receive any payments to be made to it hereunder without the withholding of any tax and will furnish to Citibank such forms, certifications, statements and other documents as Citibank may request from time to time to evidence the Participant's exemption from the withholding of any tax imposed by any jurisdiction or to enable Citibank to comply with any applicable laws or regulations relating thereto. Citibank shall not be obligated to make any payments hereunder to the Participation hereunder until the Participant shall have furnished to Citibank the requested form, certification, statement or document.

ARTICLE 5. MISCELLANEOUS

Section 5.01. Assignments; Participations.

(a) **No Sale by Participant.** The Participant may not sell, assign or transfer its participation in the Participation hereunder (or any part thereof) without Citibank's prior consent.

(b) **Conversion of Participation into Assignment.** The Participant shall have the right at any time while the Participation is outstanding to replace its rights in respect of the Participation into an assignment of the Loans and other rights of Citibank under the Credit Documents, whereby Citibank shall, pursuant to an instrument to be mutually agreed upon between Citibank and the Participant, assign all of its right, title and interest in, to and under the Loans and the Credit Documents to the Participant.

Section 5.02. Payments Generally. All payments by the Bank to the Participant

- 5 -

shall be made in immediately available funds (or in such other type of funds which the Bank shall have received the Borrower) to the account or the address which the Participant shall specify to the Bank from time to time. All payments to the Bank by the Participant (including the purchase of the Participation hereunder) shall be made in immediately available funds to such account of which the Bank shall notify the Participant. The Bank may (but shall not be obligated to) apply any amounts due and payable by it to the Participant to and in satisfaction of any amount then due and payable by the Participant to and in satisfaction hereunder to the Bank.

Section 5.03. Notices. Except as otherwise provided herein, all communications hereunder by either party hereto shall be given in writing or by facsimile transmission to the other party at its address and facsimile number specified beneath its signature hereto or at such other address as it shall have notified the first-named party, and shall be effective when received. Telephonic notices permitted hereunder shall be promptly confirmed in writing. Citibank may rely upon, and will incur no liability in taking or omitting to take action upon, any notice, instruction, consent or other communication (oral or otherwise) from the Participant that Citibank believes to be genuine and correct or to have been signed, sent or made by a proper person or persons, and Citibank will have no obligation to verify or inquire into any matters pertaining thereto.

Section 5.04. Entire Agreement. This Agreement sets forth the entire agreement between Citibank and the Participant relating to the Participation hereunder and supersedes any prior written or oral statements or agreements with respect to the matters covered hereby and may not be altered orally.

Section 5.05. Term of Agreement. The obligations of the Participant shall terminate when the Bank has received final payment of the Participation; provided, that the obligations of the Participant under Section 4.04 or 4.05 hereof shall survive any such termination.

Section 5.06. Captions. The captions and headings hereunder are for convenience only and shall not affect the interpretation or construction of this Agreement.

Section 5.07. Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

- 6 -

IN WITNESS WHEREOF, the parties hereto have caused this Participation Agreement to be executed and delivered by their duly authorized officers as of the date first written above.

CITIBANK, N.A., as Lender and
Administrative Agent

By: James P. Garvin
Name: James P. Garvin
Title: JAMES P. GARVIN, VP.

Address for Notices:

Citibank, N.A.
2 Penns Way
New Castle, DE 19720
Attention: Mehmet Durgun
Fax: 302-894-6120
Phone: 302-894-6009

RCN CORPORATION

By: _____
Name:
Title:

Address for Notices:

RCN Corporation
105 Carnegie Center
Princeton, New Jersey 08540
Attention Tim Stoklosa, Chief Financial Officer
Fax: 609-734-3875, and
John Jones, General Counsel
Fax: 609-734-3830

with a copy to:
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square, New York, NY 10036
Attention: Robert Copen
Fax 212-735-2000.

IN WITNESS WHEREOF, the parties hereto have caused this Participation Agreement to be executed and delivered by their duly authorized officers as of the date first written above.


CITIBANK, N.A., as Lender and
Administrative Agent

By: _____
Name:
Title:

Address for Notices:

Citibank, N.A.
2 Penns Way
New Castle, DE 19720
Attention: Mehmet Durgun
Fax: 302-894-6120
Phone: 302-894-6009

RCN CORPORATION

By:  _____
Name: Keith D Tereri
Title: VP & Treasurer

Address for Notices:

RCN Corporation
105 Carnegie Center
Princeton, New Jersey 08540
Attention Tim Stoklosa, Chief Financial Officer
Fax: 609-734-3875, and
John Jones, General Counsel
Fax: 609-734-3830

with a copy to:
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square, New York, NY 10036
Attention: Robert Copen
Fax 212-735-2000.

NY3:#7236274v6