Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Business Telecom, Inc.		107/26/2005	CORPORATION: NORTH CAROLINA

RECEIVING PARTY DATA

Name:	TCP Agency Services, LLC
Street Address:	2951 28th Street
Internal Address:	Suite 1000
City:	Santa Monica
State/Country:	CALIFORNIA
Postal Code:	90405
Entity Type:	Limited Liability Company: DELAWARE

PROPERTY NUMBERS Total: 13

Property Type	Number	Word Mark	
Registration Number:	2427897	BTI	
Registration Number:	2461862	BTI TELECOMMUNICATIONS SERVICES	
Registration Number:	2426407	BTINET	
Registration Number:	2429877	D.S. LYNX	
Registration Number:	2533513	D.S.LYNX	
Registration Number:	2577608	INVOICE ONLINE	
Registration Number:	2563320	MAX COMMERCE	
Registration Number:	2561449	MAX COMMERCE A BTI COMPANY	
Registration Number:	2357649	OPTIMIZER	
Registration Number:	2711255	SIMPLICI-T	
Serial Number:	76488925	TELECOM SIMPLIFIED	
Registration Number:	2581457	THE FASTEST CAT ON THE NET	
Registration Number:	2874175	VOICEPACK	

TRADEMARK

REEL: 003132 FRAME: 0634

900029356

CORRESPONDENCE DATA Fax Number: (212)822-5423 Correspondence will be sent via US Mail when the fax attempt is unsuccessful. Phone: 212-530-5423 Email: jnici@milbank.com Correspondent Name: Milbank, Tweed, Hadley & McCloy LLP Address Line 1: One Chase Manhattan Plaza Address Line 2: Rm. 4680 Address Line 4: New York, NEW YORK 10005-1413 NAME OF SUBMITTER: Janis Nici Signature: /janis nici/ Date: 08/02/2005 **Total Attachments: 12** source=ITC TCP Amended SA#page1.tif source=ITC TCP Amended SA#page2.tif source=ITC TCP Amended SA#page3.tif source=ITC TCP Amended SA#page4.tif source=ITC TCP Amended SA#page5.tif source=ITC TCP Amended SA#page6.tif

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT made as of this 26th day of July, 2005 (the "Agreement").

By and an ong:

The Issuer (as defined herein),
Parent (as defined herein)
The Subsidiary Guarantors (as defined herein)
-andCollateral Agent (as defined herein)

WHEREAS, in accordance with the AMENDED AND RESTATED SECURITY

AGREEN ENT, dated as of July 26, 2005 (the "Security Agreement"), by and among Interstate FiberNet, Inc., a De aware corporation (the "Issuer"), ITC^DeltaCom, Inc., a Delaware corporation ("Parent"), the Subsidiary Guarantors party thereto from time to time (each, a "Subsidiary Guarantor" and collectively, the "Subsidiary Guarantors", and the Subsidiary Guarantors together with the Issuer and Parent, the "Obligors"), and TCP Agency Services, LLC, a Delaware limited liability company, as collateral agent (together with its successors in such capacity, the "Collateral Agent") for the Secured Parties, the Obligors have agreed to grant to the Collateral Agent a continuing security interest in, among other things, the Copyright Collateral, the Patent Collateral and the Trademark Collateral (each as defined herein).

NOW THEREFORE, in consideration of good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), the parties agree as follows:

- 1. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Security Agreement. As used herein, the following terms shall have the following meanings:
- "Copyright Collateral" means all Copyrights, whether now owned or hereafter acquired by any Obligor, including, without limitation, each Copyright identified on Schedule 1 hereto.
- "<u>Copyrights</u>" means all copyrights, copyright registrations and applications for copyright registrations, including, without limitation, all renewals and extensions thereof, the right to recover for all past, present and future infringements thereof, and all other rights of any kind whatsoever accruing thereunder or pertaining thereto.
- "<u>Patent Collateral</u>" means all Patents, whether now owned or hereafter acquired by any Obligor, including without limitation each Patent identified on Schedule 2 hereto.
- "Patents" means all patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein together with the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, the right to sue for past, present and future infringen ents thereof, and all rights corresponding thereto throughout the world.

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"Trademark Collateral" means all Trademarks, whether now owned or hereafter acquired by any Obligor, including without limitation each Trademark identified on Schedule 3 hereto. Notwithstanding the foregoing, the Trademark Collateral does not and shall not include any Trademark that would be rendered invalid, abandoned, void or unenforceable by reason of its being included as part of the Trademark; Collateral.

"Trademarks" means all trade names, trademarks and service marks, logos, trademark and service mark registrations, and applications for trademark and service mark registrations, including, without limitation, all renewals of trademark and service mark registrations, all rights corresponding thereto throughout the world, the right to recover for all past, present and future infringements thereof, all other rights of any kind whatsoever accruing thereunder or pertaining thereto, together, in each case, with the product lines and goodwill of the business connected with the use of, and symbolized by, each such trade name, trademark and service mark.

- A; collateral security for the prompt payment or performance in full when due, whether at stated maturity, by acceleration or otherwise (including, without limitation, the payment of amounts that would become due but for the operation of the automatic stay under Section 362(c) of the Bankruptcy Code), of the Secured Obligations, whether now existing or hereafter from time to time arising, each Obligor hereby grants to the Collateral Agent, for the benefit of the Secured Parties, a security interest in all of such Obligor's right, title and interest in, to and under the Copyright Collateral, the Patent Collateral and the Trademark Collateral.
- Obligations. Upon termination of the Security Agreement or release of an Obligor's obligations thereunder, the Collateral Agent shall, upon such satisfaction, execute, acknowledge, and deliver to the Obligors or an Obligor, as the case may be, (a) an instrument in writing releasing the security interest in the Copyright Collateral, the Patent Collateral and the Trademark Collateral acquired under this Agreement and (b) such other documents as shall be reasonably requested by the Obligors or an Obligor, as the case may be, to effect the termination and release of the security interest in the Copyright Collateral, the Patent Collateral and the Trademark Collateral. Additionally, upon such satisfaction, the Collateral Agent shall reasonably cooperate with any efforts made by an Obligor to make of record or otherwise confirm such satisfaction including, but not limited to, the release and/or termination of this Agreement and any security interest in, to or under the subject collateral.
- 4. The security interest in this Agreement has been granted as a supplement to, and not in limitation of, the security interest granted to the Collateral Agent under the Security Agreement. The Security Agreement (and all rights and remedies of the Collateral Agent) shall remain in full force and effect in accordance with its terms. The rights and remedies of the Collateral Agent with respect to the security interest g anted herein are without prejudice to, and are in addition to those set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference.
- 5. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

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INTERSTATE FIBERNET, INC, as Issuer

Name: Richard E. Fish

Title: Chief Financial Officer

ITC^DELTACOM, INC., as Parent

Name: Richard F Fish

Title: Chief Financial Officer

ITC^DELTACOM COMMUNICATIONS, INC., as Obligor and Subsidiary Guarantor

Name: Richard E. Fish

Title: Chief Financial Officer

Address for Notices:

7037 Old Madison Pike, Suite 400 Huntsville, AL 35806

Attn: Chief Financial Officer

DELTACOM INFORMATION SYSTEMS, INC., as Obligor and Subsidiary Guarantor

Title: Chief Financial Officer

Address for Notices:

7037 Old Madison Pike, Suite 400

Huntsville, AL 35806

Attn: Chief Financial Officer

BTI TELECOM CORP., as Obligor and Subsidiary Guarantor

Name: Richard E. Fish

Title: Chief Financial Officer

Address for Notices:

7037 Old Madison Pike, Suite 400 Huntsville, AL 35806 Attn: Chief Financial Officer

BUSINESS TELBCOM, INC., as Obligor and

Subsidiary Guarantor

By Name: Richard E. Fish

Title: Chief Financial Officer

Address for Notices:

7037 Old Madison Pike, Suite 400

Huntsville, AL 35806

Attn: Chief Financial Officer

BUSINESS TELECOM OF VIRGINIA, INC., as Obligor and Subsidiary Guarantor

Name: Richard E. Fish

Title: Chief Financial Officer

Address for Notices:

7037 Old Madison Pike, Suite 400 Huntsville, AL 35806

Attn: Chief Financial Officer

Accepted and agreed:

TCI AGENCY SERVICES, LLC

By: Tennenbaum Capital Partners, LLC

Its: Managing Member
By: Tennenbaum & Co., LLC
Its: Managing Member

Name: Howard M. Levkowitz
Title: Managing Partner

[Signature Page for Third Lien IP Security Agreement]

SCHEDULE 1

COPYRIGHT COLLATERAL

Author/Claimant	<u>Title</u>	Registration Number	Date Created Published Registration
Interstate FiberNet, Inc.	ADVANCED wireless solutions	TX4680412	1997
*Acquired by merger with AvData Systems in 1999			03/01/1997
			06/09/1997
Intersta e FiberNet, Inc.	Advanced enterprise solutions: AvData's	TX4643784	1997
*Acqui: ed by merger with	levels of network		07/01/1997
AvData Systems in 1999	management services.		07/21/1997
Intersta e FiberNet, Inc.	Frame relay: Know the right questions before	TX4583918	1997
*Acquired by merger with AvData Systems in 1999	making the investment.		03/01/1997
			06/09/1997
Intersta e FiberNet, Inc.	The NPCS Network Challenge	TX4601538	1997
*Acquired by merger with AvData Systems in 1999			02/01/1997
			06/09/1997

SCHEDULE 2

PATENT COLLATERAL

NONE

SCHEDULE 3

TRADEMARK COLLATERAL

Ovner	<u>Trademark</u> (all U.S.)	Reg. No. / Serial No.	Registration Date/ Filing Date	Date Affidavit of Use and/or Renewal is Due; whether the Affidavit of Use and/or Renewal has been filed
ITC^ Delta Com, Inc.	DELTACOM (Classes 38 and 42)	2,071,650	06/17/1997	Renewal and Affidavit of Use due 06/17/2007.
ITC^DeltaCom, Inc.	DELTACOM (& Design) (Classes 38 and 42)	2,071,715	06/17/1997	Renewal and Affidavit of Use due 06/17/2007.
ITC^DeltaCom, Inc.	ITC^DELTACOM (Class 38)	2,405,331	11/21/2000	Affidavit of Use due 11/21/06; Renewal and Affidavit of Use due 11/21/10.
ITC^Delta(lom, Inc.	ITC^DELTACOM (Class 42)	2,405,335	11/21/2000	Affidavit of Use due 11/21/06; Renewal and Affidavit of Use due 11/21/10.
ITC^DeltaCom, Inc.	ITC DELTACOM (& Design) (Class 38)	2,407,859	11/28/2000	Affidavit of Use due 11/28/06; Renewal and Affidavit of Use due 11/28/10.
ITC^Deltaclom, Inc.	ITC DELTACOM (& Design) (Class 42)	2,407,860	11/28/2000	Affidavit of Use due 11/28/06; Renewal and Affidavit of Use due 11/28/10.
ITC^Delta Com, Inc.	E^COM (Classes 37, 38 and 42)	76/010,576	03/27/2000	Renewal and Affidavit of Use due 09/8/10.
ITC^Delta Com, Inc.	E^DELTACOM (Classes 37, 38 and 42)	2,528,538	01/08/2002	Affidavit of Use due 01/08/08; Renewal and Affidavit of Use due 01/08/12.
ITC^Delta Com Communications, Inc.	EVERYBODY'S TALKING (Class 38)	2,900,348	11/01/2004	Renewal and Affidavit of use due 05/02/10.
ITC^Delta Com Communications, Inc.	GRAPEVINE (Class 38)	76/463,744	11/01/2002	Lost on appeal.
ITC^Delta Com Communic ations, Inc.	GRAPEVINE EVERYBODY'S TALKING (Class 38)	76/463,530	11/01/2002	Abandoned.
Interstate I iberNet, Inc.	SCIENTIFIC TELECOM (& Design) (Classes 37, 38 and 42)	1,348,561	07/09/1985	Abandoned.
Interstate FiberNet, Inc.	AVDATA (Class 37)	2,158,977	05/19/1998	Abandoned.

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O vner	<u>Trademark</u> (all U.S.)	Reg. No. / Serial No.	Registration Date/ Filing Date	Date Affidavit of Use and/or Renewal is Due; whether the Affidavit of Use and/or Renewal has been filed
Interstate F berNet, Inc.	AVDATA (Class 42)	2,202,649	11/10/1998	Abandoned.
Interstate F berNet, Inc.	AVDATA (& Design) (Class 37)	2,160,578	05/26/1998	Abandoned.
Interstate F berNet, Inc.	AVDATA (& Design) (Class 42)	2,203,677	11/17/1998	Abandoned.
Business T lecom, Inc.	BTI (& Design) Classes 36, 38 and 42)	76/217,203	02/27/2001	Abandoned pursuant to Settlement Agreement with British Telecommunications.
Business T : lecom, Inc	BTI (Classes 36, 38 and 42)	2,427,897	02/13/2001	Affidavit of Use due 02/13/07; Renewal and Affidavit of Use due 02/13/11.
Business T elecom, Inc.	BTI TELECOMMUNICATION S SERVICES (& Design) (Classes 36, 38 and 42)	2,461,862	06/19/2001	Affidavit of Use due 06/19/07; Renewal and Affidavit of Use due 06/19/11.
Business T elecom, Inc.	BTINET (Classes 38 and 42)	2,426,407	02/06/2001	Affidavit of Use due 02/06/07; Renewal and Affidavit of Use due 02/06/11. Will abandon pursuant to Settlement Agreement with British Telecommunications.
Business Telecom, Inc.	BTINET (& Design) (Classes 38 and 42)	76/135,109	09/25/2000	Abandoned pursuant to Settlement Agreement with British Telecommunications.
Business Telecom, Inc.	CLIENTEL (Class 38)	2,137,742	02/17/1998	Abandoned.
Business Telecom, Inc.	D.S. LYNX (& Design) (Class 38)	2,429,877	02/20/2001	Affidavit of Use due 02/20/07; Renewal and Affidavit of Use due 02/20/11.
Business 7 elecom, Inc.	D.S. LYNX (Class 38)	2,533,513	01/29/2002	Affidavit of Use due 01/29/08; Renewal and Affidavit of Use due 01/29/12.
Business 7 elecom, Inc.	FAMILY VALUES (Class 38)	2,134,879	02/03/1998	Abandoned.
Business 7 elecom, Inc.	FOUNDATIONS (Class 38)	2,137,741	02/17/1998	Abandoned.
Business 7 elecom, Inc.	HOSPITALITY SUITE (Class 38)	2,134,878	02/03/1998	Abandoned.
Business 7 elecom, Inc.	INVOICE ONLINE (& Design) (Class 36)	2,577,608	06/11/2002	Affidavit of Use due 06/11/08; Renewal and Affidavit of Use due 06/11/12.

Ov ner	<u>Trademark</u> (all U.S.)	Reg. No. / Serial No.	Registration Date/ Filing Date	Date Affidavit of Use and/or Renewal is Due; whether the Affidavit of Use and/or Renewal has been filed
Business Telecom, Inc.	MARKET VALUES (Class 38)	2,134,877	02/03/1998	Abandoned.
Business Telecom, Inc.	MAX COMMERCE (Classes 35 and 42)	2,563,320	04/23/2002	Affidavit of Use due 04/23/08; Renewal and Affidavit of Use due 04/23/12.
Business Telecom, Inc.	MAX COMMERCE A BTI COMPANY (& Design) (Classes 35 and 42)	2,561,449	04/16/2002	Affidavit of Use due 04/16/08; Renewal and Affidavit of Use due 04/16/12.
Business Telecom, Inc.	MEXICO EXPRESO (Class 36)	2,224,055	02/16/1999	Abandoned.
Business Telecom, Inc. [Owner in 1'TO database	OPTIMIZER (Class 9)	2,357,649	06/13/2000	Affidavit of Use due 06/13/06; Renewal and Affidavit of Use due
is listed as Radio Frequency Systems, Inc.]				06/13/10.
Business T :lecom, Inc.	SIMPLICI-T (& Design) (Class 38)	2,711,255	04/29/2003	Affidavit of Use due 04/29/09; Renewal and Affidavit of Use due 04/29/13.
Business T elecom, Inc.	SMARTER.FASTER. BETTER.	2,134,895	02/03/1998	Abandoned.
Business T elecom, Inc.	TELECOM SIMPLIFIED	76/488,925	02/10/2003	Petition to revive abandoned application filed March 17, 2005.
Business Telecom, Inc.	THE FASTEST CAT ON THE NET	2,581,457	06/18/2002	Affidavit of Use due between 06/18/07 and 06/18/08; Renewal and Affidavit of Use due 06/18/12.
Business Telecom, Inc.	US DATACOM (Stylized)	76/135,122	09/25/2000	Abandoned.
Business 7 elecom, Inc.	VOICEPACK	2,874,175	08/17/2004	Affidavit of Use due 2/7/10.
ITC^Delta Com Communications, Inc.	THINK OUTSIDE THE BELL	76614474	10/01/04	Pending.

RECORDED: 08/02/2005