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
Birch Telecom, Inc.		04/13/2006	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Bank of America, N.A., as Administrative Agent	
Street Address:	901 Main Street	
City:	Dallas	
State/Country:	TEXAS	
Postal Code:	75202	
Entity Type:	national banking association: UNITED STATES	

PROPERTY NUMBERS Total: 17

Property Type	Number	Word Mark
Registration Number:	2467503	BIRCH
Registration Number:	2186707	BIRCH TELECOM
Registration Number:	2325801	BIRCH TELECOM
Serial Number:	78365372	BIRCHLINK
Registration Number:	1696494	CAPITAL GBS COMMUNICATIONS
Registration Number:	2908160	HOME CONNECTION
Registration Number:	2577238	IONEX
Registration Number:	2542377	IONEX
Registration Number:	2509015	IONEX
Registration Number:	2514288	IONEX TELECOMMUNICATIONS, INC.
Registration Number:	2503776	MIGHTY MOUTH
Registration Number:	2616143	SERVICE. SAVINGS. SIMPLICITY.
Registration Number:	2779990	SP@CE GENIE
Registration Number:	2691468	SP@CE HOST

TRADEMARK

REEL: 003291 FRAME: 0016 900046787

Serial Number:	75697175	SPRAWLNET
Serial Number:	75717670	THE SPRAWLER
Registration Number:	2558118	YOUR BUSINESS' BEST FRIEND

CORRESPONDENCE DATA

Fax Number: (214)981-3400

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 214-981-3483

Email: dclark@sidley.com

Correspondent Name: Dusan Clark, Esq.

Address Line 1: Sidley Austin, LLP

Address Line 2: 717 N. Harwood St., Suite 3400

Address Line 4: Dallas, TEXAS 75201

ATTORNEY DOCKET NUMBER:	30761-30020	
NAME OF SUBMITTER:	Dusan Clark	
Signature:	/Dusan Clark/	
Date:	04/17/2006	

Total Attachments: 11

source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page1.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page2.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page3.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page4.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page5.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page6.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page7.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page8.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page9.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page10.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page10.tif source=BIRCH-BIRCH - TRADEMARK SECURITY AGREEMENT#page11.tif

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (as amended, restated or otherwise modified from time to time, this "Agreement") is entered into as of April 13, 2006 by and among BIRCH TELECOM, INC. (the "Company"), a Delaware corporation located at 2300 Main Street, Suite 600, Kansas City, MO 64108, the Grantors named on the signature pages hereof (together with the Company, the "Grantors") and BANK OF AMERICA, N.A., a national banking association located at 901 Main Street, Dallas, Texas 75202, as contractual representative (the "Administrative Agent") on behalf of itself and on behalf of the Lenders (as such term is defined in the below described Credit Agreement).

WITNESSETH:

WHEREAS, Birch Telecom Finance, Inc., a Delaware corporation (the "Borrower"), Company, the Administrative Agent and certain financial institutions (the "Lenders") are parties to that certain Credit Agreement dated as of the date hereof (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Credit Agreement"), pursuant to which the Lenders may, from time to time, make loans, advances, and other financial accommodations to or for the benefit of the Borrower;

WHEREAS, the Grantors and the Administrative Agent have entered into a certain Guarantee and Collateral Agreement dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), pursuant to which such Grantors have agreed to guarantee all of the Obligations (as defined therein) upon the terms and conditions set forth therein and pursuant to which each Grantor has granted a security interest in substantially all of its assets to the Administrative Agent for the benefit of the Administrative Agent and the Lenders; and

WHEREAS, the Lenders have required the Grantors to execute and deliver this Agreement in order to secure the prompt and complete payment, observance and performance of all of the Obligations;

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

1. Defined Terms.

(i) Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement. Unless otherwise defined herein or in the Credit Agreement, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement, or, if not defined therein, the meaning specified for such term in the Guarantee and Collateral Agreement.

- (ii) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.
- (iii) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.
- 2. <u>Incorporation of Premises</u>. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof. The security interests granted pursuant to this Agreement are granted in conjunction with the security interests granted to the Administrative Agent, on behalf of itself and the Lenders, pursuant to the Guarantee and Collateral Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark, Licenses and other collateral made and granted hereby are more fully set forth in the Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.
- 3 Security Interest in Trademarks. Each Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to the Administrative Agent, for itself and for the ratable benefit of the Lenders, a security interest in, to and under the following property now owned by or owning to, or at any time hereafter acquired by or arising in favor of such Grantor (including under any trade names, styles or derivations thereof) and whether consigned by or to, or leased from or to, such Grantor, and regardless of where located, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:
 - (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or, acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, including, without limitation, any of the foregoing referred to in Schedule A attached hereto, and (ii) the right to obtain all renewals thereof (collectively referred to as the "Trademarks"); and
 - (ii) any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, any of the foregoing referred to in Schedule B (collectively referred to as the "Licenses").

Notwithstanding the foregoing or anything herein or in any other Credit Document to the contrary, nothing hereunder or thereunder constitutes or shall be deemed to constitute the grant of a security interest in favor of the Administrative Agent or any Lender with respect to such Grantor's interest in any Trademark or License, contract right, license agreement, or any other general intangible (each such Trademark, License,

contract right, license agreement and other general intangible being hereinafter referred to as "Excluded Property"), if the granting of a security interest therein by such Grantor to the Administrative Agent or any Lender is prohibited by the terms and provisions of the agreement, document or instrument creating, evidencing or granting a security interest in such Excluded Property or rights related thereto, or would otherwise result in the abandonment, invalidation or unenforceability of the Trademark or License constituting such Excluded Property; provided, however, that if and when the prohibition which prevents the granting by such Grantor to the Administrative Agent of a security interest in any Excluded Property is removed or otherwise terminated, the Administrative Agent will be deemed to have, and at all times to have had, a security interest in such Excluded Property.

- 4. Nature and Continuation of the Administrative Agent's Security Interest; Termination of the Administrative Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall terminate only when the Obligations have been paid in full and the Credit Agreement and the other Credit Documents have been terminated. At the request and sole expense of any Grantor following any such termination, the Administrative Agent shall execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.
- 5. <u>Severability</u>. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
- 6. <u>Modification</u>. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 9.1 of the Credit Agreement.
- 7. <u>Successors and Assigns</u>. This Agreement shall be binding upon the successors and assigns of each Grantor (including any debtor-in-possession on behalf of such Grantor) and shall bind all persons who become bound as a debtor to this Agreement and shall inure to the benefit of the Administrative Agent and the Lenders and their successors and assigns; *provided however* that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent.
- 8. <u>Governing Law.</u> This Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.
- 9. <u>Notices</u>. All notices, requests and demands to or upon the Administrative Agent or any Grantor hereunder shall be effected in the manner provided for in Section 8.2 of the Credit Agreement; provided that any such notice, request or demand to or upon any Grantor shall be addressed to such Grantor at its notice address set forth on Schedule 1 to the Guarantee and Collateral Agreement.

- 10. <u>Section Titles</u>. The section headings used in this Agreement are for convenience of reference only, and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.
- 11. Execution in Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.
- 12. Merger. This Agreement and the other Credit Documents represent the agreement of the Grantors, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Credit Documents.

The remainder of this page is intentionally blank.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

GRANTORS:

BIRCH TELECOM, INC.

By:

Name: Stephen R. Dubé

Title: President, Chief Executive Officer

and Secretary

STATE OF Myssowi) SS. COUNTY OF Julian

I, a notary public, in and for the county and state aforesaid, do hereby certify that Atyphin R personally known to me to be the Res. Cto, Decyof BIRCH TELECOM, INC., appeared before me this day in person and acknowledged that (s)he signed the above and foregoing instrument as his like a forest and acknowledged that (s)he signed the above and foregoing instrument as his/her free and voluntary act and as the free and voluntary act of said corporation pursuant to authority granted to him/her by the board of directors of said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal this day of

BARBARA P. FILLINGER

Jackson County My Commission Expires

June 6, 2008

Dulara P. Pellinger Notary Public

My commission expires: MW 6, 2008

TRADEMARK SECURITY AGREEMENT

CAPITAL COMMUNICATIONS **CORPORATION**

By:

Name: Stephen R. Dubé

Title: President, Chief Executive Officer

and Secretary

STATE OF MASSAUM SS. COUNTY OF JACKM

I, a notary public, in and for the county and state aforesaid, do hereby certify that Atyphen R. personally known to me to be the Res. Co. Dec. of CAPITAL

COMMUNICATIONS CORPORATION, appeared before me this day in person and acknowledged that (s)he signed the above and foregoing instrument as his/her free and voluntary act and as the free and voluntary act of said corporation pursuant to authority granted to him/her by the board of directors of said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal this Zday of

BARBARA P. FILLINGER

Jackson County My Commission Expires June 6, 2008

Bulu A Fellinger Notary Public

My commission expires: June 6, 2008

TRADEMARK SECURITY AGREEMENT

Accepted and agreed to as of the day and year first above written.

BANK OF AMERICA, N.A., as Administrative Agent

Marce Worker

Title: Assistant Vice President

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT SCHEDULES

Schedule A

<u>to</u>

Trademark Security Agreement

Dated as of April 13, 2006

Trademarks

Trademarks and Service Mark Applications

<u>Mark</u>	Registration No.	Registration Date	<u>Owner</u>
	(Serial No.)	(Application Date)	1
BIRCH BYTES	2,467,503	7/10/2001	BIRCH TELECOM,
			INC.
BIRCH TELECOM	2,186,707	9/1/1998	BIRCH TELECOM,
			INC.
BIRCH TELECOM	2,325,801	3/7/2000	BIRCH TELECOM,
(and free leaf design)			INC.
BIRCHLINK	(78/365,372)	(2/10/2004)	BIRCH TELECOM,
			INC.
CAPITAL GBS COMMUNICATIONS (and	1,696,494	6/23/1992	CAPITAL
design)			COMMUNICATIONS
			CORPORATION
HOME CONNECTION	2,908,160	12/7/2004	BIRCH TELECOM,
1.00.1001	0.555.000		INC.
I IONEX (and design)	2,577,238	6/11/2002	BIRCH TELECOM,
		0/0.6/0.000	INC.
I IONEX (and design)	2,542,377	2/26/2002	BIRCH TELECOM,
TOTAL TOTAL	2.500.015	11/00/0001	INC.
IONEX	2,509,015	11/20/2001	BIRCH TELECOM,
TONEY TELECOMMUNICATIONS INC	2.514.200	12/14/2001	INC.
IONEX TELECOMMUNICATIONS, INC.	2,514,288	12/14/2001	BIRCH TELECOM,
MIGHTY MOUTH	2,503,776	11/6/2001	INC. BIRCH TELECOM,
MIGHTY MOOTH	2,303,776	11/6/2001	INC.
SERVICES.SAVINGS.SIMPLICITY	2,616,143	8/12/1998	BIRCH TELECOM,
SERVICES.SAVINGS.SIMFEICITI	2,010,143	0/12/1990	INC.
SP@CE GENIE	2,779,990	11/4/2003	BIRCH TELECOM,
ST WCE CENTE	2,779,990	11/4/2003	INC.
SP@CE HOST	2,691,468	2/25/2003	BIRCH TELECOM,
SI WEE HOST	2,071,400	2/23/2003	INC.
SPRAWLNET	(75/697,175)	(5/4/1999)	BIRCH TELECOM,
mer in merior TT Beeth Tahar A	(10,007,3,10)		INC.
THE SPRAWLER	75/717/670	(5/28/1999)	BIRCH TELECOM,
THE WORLD WE A TREAT OF METERS TO		(INC.
YOUR BUSINESS BEST FRIEND	2,558,118	4/9/2002	BIRCH TELECOM,
A	_,_,_,_		INC.

2

Schedule B

<u>to</u>

Trademark Security Agreement

Dated as of April 13, 2006

License Agreements

NONE

TRADEMARK REEL: 003291 FRAME: 0028

RECORDED: 04/17/2006