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February 23, 2000

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*Orig-File 5
00-C-0077
Copies:
Mr. A. Kudan*

RE: IN THE MATTER OF THE JOINT PETITION OF BIZNESSONLINE.COM, INC., BOL ACQUISITION CO. III, INC., AND TELECON COMMUNICATIONS CORP. FOR APPROVAL OF CERTAIN ASSET TRANSFERS, INCLUDING THE TRANSFER OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND TARIFFS, PURSUANT TO SECTION 99 OF THE NEW YORK STATE PUBLIC SERVICE LAW AND FOR APPROVAL OF CERTAIN RELATED TRANSACTIONS. Case No. 00-C-0077 <

Dear Secretary Renner:

Our firm represents BiznessOnline.com Inc. ("Bizness") and BOL Acquisition Co. III, Inc. ("BOL") in connection with the above-referenced matter. Please accept this letter as a supplement to our Petition in the above-referenced matter.

Bizness, BOL, Telecon Communications Corp. ("Telecon"), Bruce Becker, Kathleen Marshall and Joseph Sullivan are parties to an Asset Purchase Agreement dated as of the 5th day of December, 1999 (the "Asset Purchase Agreement") under which Telecon agrees to sell, convey, transfer, assign and deliver to BOL and BOL agrees to purchase from Telecon the assets and property of Telecon described on Exhibit 1.1 attached thereto, and including Telecon's Certificate of Public Convenience and Necessity ("CPCN") and Tariffs as a telephone services reseller in the State of New York.

Bizness has been negotiating a financing arrangement to assist BOL in the purchase of assets and property of Telecon in connection with the Asset Purchase Agreement. Bizness has applied for a credit facility consisting of a term loan pursuant to which \$15 million can be borrowed from time to time on a senior secured basis. Attached hereto please find the Credit Facility Agreement, and related documents, (the "Credit Agreement") by and among Bizness and each direct and indirect subsidiary of Bizness (collectively, the "Borrowers") and MCG Finance Corporation ("MCG"). As you will notice, the attached draft does not specifically name BOL as a party, however, the Credit Agreement is being revised to include all direct and indirect subsidiaries of Bizness and will include BOL.

HAGEANDHOBICA LLP

COUNSELORS AT LAW

Debra Renner, Acting Secretary

February 23, 2000

Page Two

Under the Credit Agreement, Bizness and each of its subsidiaries, including BOL, will be required to grant MCG a security interest in and to collaterally assign all of its tangible and intangible personal property assets and the proceeds and products thereof as collateral security for the indebtedness and obligations.

We hereby respectfully request, on behalf of BOL, approval, pursuant to Section 101 of the Public Service Law ("PSL"), for authority to grant a security interest in BOL's assets and/or guarantee certain borrowings of its parent, Bizness.

Upon certification by the Commission, BOL will be a non-dominant provider of telecommunications services in the State of New York. Since the Commission has previously determined that regulations intended to apply to monopoly utilities may be relaxed when a company operates in a competitive environment, we respectfully request, on behalf of BOL, expedited treatment in this matter.

If you have any questions or require additional information, please do not hesitate to contact me.

Very truly yours,

HAGEANDHOBICA LLP


J.K. Hage III

JKH:amc

Attachment

cc: Mr. Ruvain Kudan - *ok to file without copies (he rec'd copy)*
Mr. Mark E. Munro
Jeffrey Cianciolo, Esq.
Joshua Koenig, Esq.

CREDIT FACILITY AGREEMENT

BY AND AMONG

BIZNESSONLINE.COM, INC.

AND

EACH OF ITS DIRECT AND INDIRECT SUBSIDIARIES

AND

**MCG FINANCE CORPORATION
(AS AGENT FOR ITSELF AND ANY OTHER LENDER)**

Executed and Effective as of _____, 2000

TABLE OF CONTENTS

ARTICLE 1: THE CREDIT FACILITIES	1
1.1. Term Loan Facility	1
1.1.1. Establishment of Credit Facility	1
1.1.2. Facility Maturity	1
1.1.3. Use of Proceeds	1
1.1.4. Term Loan Notes	2
1.1.5. Interest	2
1.1.5.1. Intentionally Blank	2
1.1.5.2. Establishment of Portions	2
1.1.5.3. Interest Rate Determination	3
1.1.5.4. Selection of Rate Index	3
1.1.5.5. Applicable Rate Margins	3
1.1.5.6. Calculation of Interest	4
1.1.5.7. Special LIBO Rate Provisions	4
1.1.6. Repayment and Prepayment	5
1.1.6.1. Interest Payments	5
1.2.6.2. Principal Payments -- Amortization	5
1.1.6.3. Intentionally Blank	6
1.1.6.4. Payments at Maturity	6
1.1.6.5. Prepayments	6
1.1.6.6. Availability for Reborrowing	7
1.2. Intentionally Blank	7
1.3. Determination of Commitment Amounts	7
1.3.1. Initial Commitment	7
1.3.2. Available Credit Portion	7
1.3.3. Voluntary Reduction of Commitment	7
1.4. Advances	7
1.4.1. Requesting Advances	8
1.4.2. Funding Advances	8
1.4.3. Indemnification for Revocation or Failure to Satisfy Conditions	8
1.4.4. Obligation to Advance	8
1.5. Payments in General	8
1.5.1. Manner and Place of Payments	8
1.5.2. Special Payment Timing Issues	9
1.5.3. Application of Payments	9
1.5.4. LIBO Rate Payments Not at End of Interest Period	9
1.5.5. Capital Adequacy, Taxes and Other Adjustments	9
1.5.6. Payment of Expenses, Indemnities and Protective Advances	10
1.5.7. Payments upon Termination	10
1.5.8. Late Payments	10
1.5.9. Default Interest	10
1.5.10. Usury Savings Provision	10
1.6. Release of Security	11
1.7. Fees and Other Compensation	11
1.7.1. Origination Fee	11
1.7.3. Issuance of Option and Warrants	11
1.7.3. [Success Fee	11
1.7.4. Other Fees	12
ARTICLE 2: CONDITIONS PRECEDENT	12
2.1. Closing Conditions	12
2.1.1. Compliance	12
2.1.1.1. Fees and Expenses	12
2.1.1.2. Representations	12
2.1.1.3. No Default	12

2.1.1.4. No Material Change.....	12
2.1.2. Documents.....	12
2.1.3. Initial Acquisitions.....	16
2.2. Term Loan Advances.....	16
2.2.1. Advance Request.....	16
2.2.2. Cash Flow Leverage.....	16
2.2.3. Other Documents.....	16
2.2.4. Subsequent Acquisitions.....	16
2.2.5. Compliance.....	16
2.2.5.1. Fees and Expenses.....	16
2.2.5.2. Representations.....	16
2.2.5.3. No Default.....	16
2.2.5.4. No Material Change.....	17
ARTICLE 3: REPRESENTATIONS AND WARRANTIES.....	17
3.1. Organization and Good Standing.....	17
3.2. Power and Authority.....	17
3.3. Validity and Legal Effect.....	17
3.4. No Violation of Laws or Agreements.....	17
3.5. Title to Assets; Existing Encumbrances; Identification of Intellectual and Real Property.....	18
3.6. Capital Structure and Equity Ownership.....	18
3.7. Subsidiaries, Affiliates and Investments.....	18
3.8. Material Contracts.....	18
3.9. Licenses and Authorizations.....	19
3.10. Taxes and Assessments.....	19
3.11. Litigation and Legal Proceedings.....	20
3.12. Accuracy of Financial Information.....	20
3.13. Accuracy of Other Information.....	20
3.14. Compliance with Laws Generally.....	20
3.15. ERISA Compliance.....	20
3.16. Environmental Compliance.....	20
3.17. Margin Rule Compliance.....	20
3.18. Fees and Commissions.....	20
3.19. Solvency.....	21
3.20. Additional FCC and Other Regulatory Representations.....	21
3.20.1. General Compliance.....	21
3.20.2. No Unresolved Application, Complaint or Proceeding.....	21
3.20.3. Status and Renewal of Licenses.....	21
ARTICLE 4: AFFIRMATIVE COVENANTS.....	21
4.1. Financial Covenants and Ratios.....	22
4.1.1. Interest Coverage Ratio.....	22
4.1.2. Total Charge Coverage Ratio.....	22
4.1.3. Cash Flow Leverage Ratio.....	22
4.2. Periodic Financial Statements and Compliance Certificates.....	22
4.2.1. Monthly Financial Statements.....	22
4.2.2. Quarterly Financial Statements.....	22
4.2.3. Annual Financial Statements.....	23
4.3. Other Financial and Specialized Reports.....	23
4.3.1. Financial Forecasts.....	23
4.3.2. Additional Material Contracts, Licenses and Authorizations.....	23
4.3.3. Tax Returns.....	23
4.3.4. SEC Filings and Press Releases.....	23
4.3.5. Operating Reports.....	24
4.4. Fiscal Year.....	24
4.5. Books and Records; Maintenance of Properties.....	24
4.6. Existence and Good Standing.....	24
4.7. Deposit Accounts.....	25

4.8. Insurance; Disaster Contingency	25
4.8.1. General Insurance Provisions	25
4.8.2. Disaster Recovery and Contingency Program	25
4.9. Loan Purpose	25
4.10. Taxes	26
4.11. Management Changes	26
4.12. Litigation and Administrative Proceedings	26
4.13. Monitoring Compliance; Occurrence of Certain Events	26
4.14. Compliance with Laws	26
4.15. Further Actions	26
4.15.1. Additional Collateral	26
4.15.2. Further Assurances	27
4.15.3. Estoppel Certificates	27
4.15.4. Waivers and Consents	27
4.15.5. Access and Audits	27
4.15.6. Attendance at Board of Directors Meetings	27
4.16. Costs and Expenses	28
4.17. Other Information	28
4.18. Additional FCC and Other Regulatory Affirmative Covenants	28
4.18.1. Service Interruption	28
4.18.2. Correspondence, Orders and Filings	28
4.19. Post-Closing Items	29
ARTICLE 5: NEGATIVE COVENANTS	29
5.1. Capital Expenditures	29
5.2. Additional Indebtedness	29
5.3. Guaranties	30
5.4. Loans	30
5.5. Liens and Encumbrances; Negative Pledge	30
5.6. Transfer of Assets	32
5.7. Acquisitions and Investments	32
5.8. New Ventures; Mergers	33
5.9. Transactions with Affiliates	33
5.10. Distributions or Dividends	33
5.11. Payment of Subordinated Indebtedness	33
5.12. Payment of Management Fees and Other Compensation	34
5.13. Issuance of Additional Equity	34
5.14. Removal of Assets	34
5.15. Modifications to Organic Documents	34
5.16. Terms of and Modifications to Material Relationships	34
5.17. Margin Stock Restrictions; Other Federal Statutes	35
5.18. Holding Company Structure	35
ARTICLE 6: ADDITIONAL COLLATERAL AND RIGHT OF SET OFF	35
6.1. Additional Collateral	35
6.2. Right of Set-Off	35
6.3. Additional Rights	36
ARTICLE 7: DEFAULT AND REMEDIES	36
7.1. Events of Default	36
7.1.1. Payment Obligations	36
7.1.2. Representations and Warranties	36
7.1.3. Financial Covenants	36
7.1.4. Other Covenants in Loan Documents	36
7.1.5. Default Under Other Agreements with Administrative Agent or Lenders	36
7.1.6. Default Under Material Agreements with Other Parties	36
7.1.7. Security Interest	37
7.1.8. Change of Control	37
7.1.9. Government Action	37

7.1.10. Insolvency	37
7.1.11. Additional Liabilities.....	38
7.1.12. Business Interruption.....	38
7.1.13. FCC and Other Regulatory-Action Defaults.....	38
7.1.14. Material Adverse Change.....	38
7.2. Remedies	38
7.2.1. Acceleration, Termination and Pursuit of Collateral.....	38
7.2.2. Other Remedies.....	39
7.2.3. Special Regulatory-Related Remedies	39
ARTICLE 8: RELATIONSHIP AMONG LENDERS	40
8.1. Appointment, Authorization and Grant of Authority.....	40
8.2. Acceptance of Appointment.....	41
8.3. Administrative Agent's Relationship with Borrowers.....	41
8.4. Non-Reliance on Administrative Agent and Other Lenders.....	41
8.5. Reliance by Administrative Agent.....	42
8.6. Delegation of Duties; Additional Reliance by Administrative Agent.....	42
8.7. Acting on Instructions of Lenders.....	42
8.8. Actions Upon Occurrence of Default or Event of Default.....	42
8.9. Administrative Agent's Rights as Lender in Individual Capacity.....	43
8.10. Advances By Administrative Agent.....	43
8.11. Payments to Lenders.....	44
8.12. Pro-Rata Sharing of Setoff Proceeds	44
8.13. Limitation on Liability of Administrative Agent.....	44
8.14. Indemnification.....	44
8.15. Resignation; Successor Administrative Agent.....	45
ARTICLE 9: DEFINITIONS AND RULES OF CONSTRUCTION	45
9.1. Definitions	45
9.2. Rules of Interpretation and Construction.....	57
9.2.1. Plural; Gender	57
9.2.2. Section and Schedule References.....	57
9.2.3. Titles and Headings.....	57
9.2.4. Including and Among Other References.....	57
9.2.5. "Shall", "Will", "Must", "Can" and "May" References.....	58
9.2.6. Time of Day References.....	58
9.2.7. Knowledge of a Person.....	58
9.2.8. Successors and Assigns.....	58
9.2.9. Modifications to Documents	58
9.2.10. References to Laws and Regulations.....	58
9.2.11. Financial and Accounting Terms.....	58
9.2.12. Conflicts Among Loan Documents.....	59
9.2.13. Independence of Covenants and Defaults.....	59
9.2.14. Administrative Agent.....	59
ARTICLE 10: MISCELLANEOUS	59
10.1. Indemnification, Reliance and Assumption of Risk.....	59
10.2. Assignments and Participations.....	60
10.3. No Waiver; Delay.....	60
10.4. Modifications and Amendments.....	61
10.5. Disclosure of Information to Third Parties.....	61
10.6. Binding Effect and Governing Law.....	62
10.7. Notices.....	62
10.8. Relationship with Prior Agreements.....	64
10.9. Severability.....	64
10.10. Termination and Survival.....	64
10.11. Reinstatement	64
10.12. Counterparts	65
10.13. Waiver of Suretyship Defenses.....	65

10.14. Waiver of Liability65
10.15. Forum Selection; Consent to Jurisdiction.....65
10.16. Waiver of Jury Trial66

SCHEDULES:

Schedule	A	List of Borrowers
Schedule	1.1.3	Indebtedness Being Satisfied
Schedule	1.4.2	Funding Instructions
Schedule	3.1	Good Standing / Foreign Qualification Jurisdictions
Schedule	3.2	Missing Consents
Schedule	3.5A	Intellectual Property
Schedule	3.5B	Real Property Interests
Schedule	3.5C	Operating Names / Trade Names
Schedule	3.6	Capital Structure / Equity Ownership
Schedule	3.7	Subsidiaries, Affiliates & Investments
Schedule	3.8	Material Contracts
Schedule	3.9	Licenses and Authorizations
Schedule	3.10	Taxes and Assessments
Schedule	3.11	Material Litigation
Schedule	3.18	Fees and Commissions
Schedule	3.20	Pending Regulatory Matters
Schedule	4.7	Existing Deposit Accounts
Schedule	5.2	Permitted Additional Indebtedness
Schedule	5.3	Permitted Additional Guaranties
Schedule	5.4	Permitted Additional Loans
Schedule	5.5	Permitted Additional Liens
Schedule	5.7	Permitted Additional Investments

EXHIBITS:

Exhibit	1.4.1	Form of Advance Request
Exhibit	4.2	Form of Periodic Compliance Certificate
Exhibit	10.2	Form of Assignment and Assumption Agreement

CREDIT FACILITY AGREEMENT

THIS CREDIT FACILITY AGREEMENT (as defined in Article 9, along with all other defined terms, this "Agreement") is made and effective as of _____, 2000, by and among **BIZNESSONLINE.COM, INC.** ("BiznessOnline") and each direct and indirect Subsidiary of BiznessOnline (which either are listed on Schedule A with the consent of Lenders or are hereafter added as borrowing Subsidiaries pursuant to the terms hereof) (as more fully defined in Article 9, BiznessOnline and each such Subsidiary are referred to individually as a "Borrower" and collectively as the "Borrowers"), and each financial institution that from time to time is a "Lender" hereunder (as more fully defined in Article 9, each, a "Lender"; collectively, the "Lenders"), and MCG FINANCE CORPORATION (as more fully defined in Article 9, "MCG" or "Administrative Agent").

RECITALS

WHEREAS, Borrowers desire and have applied to Lenders and Administrative Agent for a credit facility consisting of a term loan pursuant to which \$15.0 million can be borrowed from time to time on a senior secured basis; and

WHEREAS, Lenders and Administrative Agent are each willing to accommodate the request for credit upon and subject to the terms, conditions and provisions of the Loan Documents;

NOW, THEREFORE, for good and valuable consideration (receipt and sufficiency of which are hereby acknowledged), and intending to be legally bound hereby, Borrowers (jointly and severally) and each Lender and Administrative Agent hereby agree as follows:

ARTICLE 1: THE CREDIT FACILITIES

1.1. Term Loan Facility.

1.1.1. Establishment of Credit Facility. Subject to the terms and conditions of and in reliance upon the representations and warranties in the Loan Documents, each Lender (severally and on a Pro Rata basis with the other Lenders) will lend funds to Borrowers on a senior secured basis through Advances from time to time prior to [_____, 2000] (the "Final Term Draw Date") [6 months from Closing Date] in an aggregate principal amount advanced not to exceed the Available Credit Portion (as determined in accordance with Section 1.3.

1.1.2. Facility Maturity. The Term Loan Facility will mature on February 28, 2005 (as may be extended from time to time in Lenders' sole and absolute discretion, "Term Loan Maturity Date").

1.1.3. Use of Proceeds. The funds advanced under this Term Loan Facility may be used exclusively as follows:

a. Up to \$_____ to satisfy and refinance the indebtedness owed by Borrowers to the various Persons set forth on Schedule 1.1.3 (which Schedule shall identify each payee, the corresponding amounts being satisfied, and the purpose for which such indebtedness being satisfied was initially incurred), and

b. Up to \$_____ to fund the costs associated with the development of additional Internet data centers and integration of acquired networks and services such as salaries, promotional expenses, advertising expenses and professional fees, and

c. Up to \$_____ to fund acquisitions that have been approved by Required Lenders (in their sole and reasonable discretion), and

d. The balance of the Term Loan Commitment (if any) to pay (i) for fees and expenses associated with consummating and documenting the transactions contemplated by this Agreement, and (ii) for such other purposes as specifically authorized hereunder or in writing by Required Lenders (in their sole and absolute discretion).

1.1.4. Term Loan Notes. The indebtedness under the Term Loan Facility and the corresponding (joint and several) obligation of Borrowers to repay each Lender with interest in accordance with the terms hereof will be evidenced by one or more Term Loan Notes (as amended, restated, replaced, supplemented, extended or renewed from time to time, each, a "Term Loan Note"; collectively, the "Term Loan Notes") payable to the order of each Lender. The Term Loan Notes will be due and payable in full on the Term Loan Maturity Date. The aggregate stated principal amount of the Term Loan Notes will be the Term Loan Commitment established as of the Closing Date pursuant to Section 1.3; provided, however, that the maximum liability under such Term Loan Notes will be limited at all times to the actual amount of indebtedness (including principal, interest, fees, expenses and indemnities) then outstanding under the Term Loan Facility. Each Lender is authorized to note or endorse the date and amount of each Advance and each payment under the Term Loan Facility on a schedule annexed to and constituting a part of the Term Loan Notes. Such notations or endorsements, if made, will constitute prima facie evidence of the information noted or endorsed on such schedule, but the absence of any such notation or endorsement will not limit or otherwise affect the obligations or liabilities of Borrowers thereunder and hereunder.

1.1.5. Interest. Interest under the Term Loan Facility (and with respect to any other amounts advanced to or on behalf of Borrowers or otherwise outstanding under the Loan Documents) will be determined and imposed in accordance with the following provisions (and, as applicable, Sections 1.5 and 1.7):

1.1.5.1. Intentionally Blank.

1.1.5.2. Establishment of Portions. For purposes of determining interest, Borrowers may designate and subdivide the outstanding balance under the Term Loan Facility (including any other amounts advanced to or on behalf of Borrowers under the Loan Documents) into a maximum of two (2) Portions accruing interest at an Adjusted LIBO Rate and one (1) Portion accruing interest at the Prime Rate. No Portion accruing interest at an Adjusted LIBO Rate may be less than \$100,000, and all Portions under the Term Loan Facility collectively must total the outstanding balance under the Term Loan Facility.

1.1.5.3. Interest Rate Determination. The outstanding principal balance under each Portion will bear interest (computed daily until paid in immediately available funds, whether prior to or after the Term Loan Maturity Date) at the applicable Rate Index (as determined in accordance with Section 1.1.5.4) plus the applicable Rate Margin (as determined in accordance with Section 1.1.5.5). If the Prime Rate is the applicable Rate Index for a Portion, then the interest rate on such Portion will change when and as the Prime Rate or Rate Margin changes; and if an Adjusted LIBO Rate is the applicable Rate Index for a Portion, then the interest rate on such Portion will be established on the first day of each Interest Period for such Portion and will not change during such Interest Period (except as otherwise permitted under Section 1.1.5). Notwithstanding the foregoing, the applicable interest rate for the outstanding balance under the Term Loan Facility from the Closing Date until the first date on which the Rate Index or Rate Margin may be changed will be ___% per annum (i.e., the Adjusted LIBO Rate applicable for a 3-month period as of the Closing Date plus a Rate Margin of 7.75% per annum).

1.1.5.4. Selection of Rate Index. The applicable Rate Index for each Portion will be either the Prime Rate or an Adjusted LIBO Rate. The applicable Rate Index for each Portion may be changed by Borrowers as of the first calendar day after the end of the applicable Interest Period for such Portion. At least 3 Business Days (but not more than 10 Business Days) before any day on which the Rate Index may be changed, Borrowers must notify Administrative Agent in writing of (a) the dollar amount of each Portion (if more than one exists) and (b) the selected Rate Index for each Portion during the subsequent rate period (including, if applicable, the selected length of the Interest Period for balances accruing interest at an Adjusted LIBO Rate). If Administrative Agent does not timely receive such written notification as to any Portion, then the then-current Rate Index will be the applicable Rate Index for the outstanding balance of such unspecified Portion during the subsequent Interest Period. With respect to the proceeds of each Advance under the Term Loan Facility, unless Borrowers request a particular Rate Index at the time of such Advance, then Administrative Agent may select the applicable Rate Index from the corresponding Settlement Date for such Advance until the next date on which the Rate Index may be changed hereunder.

1.1.5.5. Applicable Rate Margins. The Rate Margin applicable to the Term Loan Facility will be established as of the Closing Date and as of the first calendar day of each Interest Period after the date that Administrative Agent and Lenders receive or should have received the most recent periodic financial statements of Borrowers delivered in accordance with Section 4.2. The Rate Margin will be based upon the Leverage Ratio of (a) Funded Debt as of the date of establishment of such Rate Margin to (b) OCF as of the last day of the fiscal quarter reflected on the most recent quarterly financial statements delivered to Administrative Agent and Lenders in accordance with Section 4.2, and will be determined according to the following schedule:

<u>Leverage Ratio</u>	<u>Prime Rate Margin</u>	<u>Adjusted LIBO Rate Margin</u>
<3	3.25%	4.75%
≥3.0 but <4.0	3.75%	5.25%
≥4.0 but <5.0	4.25%	5.75%
≥5.0 but <6.0	5.00%	6.50%
≥6.0	6.25%	7.75%

If Administrative Agent and Lenders do not timely receive acceptable quarterly financial statements prepared and delivered in accordance with Section 4.2, then Administrative Agent (in its sole and absolute discretion) may deem the applicable Rate Margin for each Portion to be the highest Rate Margin for the applicable Rate Index reflected in the chart above, either prospectively or retroactive to the first calendar day of the then-current fiscal quarter. Upon the funding of any Advance after the Closing Date in excess of \$250,000, then Administrative Agent (in its sole and absolute discretion) may elect to prospectively adjust the Rate Margin applicable to each Portion to reflect the additional amount of Funded Debt thereby outstanding. Even though the pricing schedule above may contemplate Rate Margins for Leverage Ratios in excess of the Leverage Ratios from time to time permitted under Section 4.1: (1) the existence of such pricing in the above schedule (or the effectiveness thereof) does not amend any of the requirements under Section 4.1 or waive any Default or Event of Default caused by any non-compliance therewith from time to time and (2) Administrative Agent and Lenders may nevertheless exercise from time to time during the occurrence of an Event of Default any and all rights and remedies that are permitted by any Loan Document or applicable law.

1.1.5.6. Calculation of Interest. Interest under the Term Loan Facility will be calculated, accrued, imposed and payable on the basis of a 360-day year for the actual number of days elapsed. Interest will begin to accrue on any amounts advanced to or on behalf of Borrowers under the Loan Documents on and as of the date such funds are advanced. Unless prohibited by applicable law, interest will be compounded on a monthly basis and added to the outstanding principal balance.

1.1.5.7. Special LIBO Rate Provisions. The following provisions apply with respect to Adjusted LIBO Rates (notwithstanding any other provision hereof).

a. Change in Adjusted LIBO Rate. Any Adjusted LIBO Rate may be prospectively adjusted by a particular Lender from time to time to account for any additional or increased cost of maintaining any necessary reserves for Eurodollar deposits (including any increase in the Reserve Percentage) or any increased costs due to changes in the applicable law occurring subsequent to the commencement of the then-applicable Interest Period. Such Lender will give Administrative Agent notice of any such determination and adjustment within a reasonable period of time thereafter. Upon receipt of such notice, Administrative Agent will provide a copy thereof to Borrowers, and (upon written request) such Lender will furnish a statement to Administrative Agent and Borrowers setting forth the basis and the method for determining the amount of such adjustment. A determination by any Lender hereunder will be conclusive absent manifest error. If any Lender provides any such notice of adjustment, then Borrowers may elect to change the then-applicable Rate Index (using the same Rate Margin category) to the Prime Rate for any Portion then subject to an Adjusted LIBO Rate. Such election to change the Rate Index must be made by providing Administrative Agent written notice thereof at any time within 10 Business Days after receipt of such notice of adjustment (notwithstanding any restriction hereunder limiting Rate Index changes to certain dates, but subject to the requirement to pay all associated costs therewith). Upon Administrative Agent's receipt of any such written election, the identified Portion will thereupon begin to accrue interest at the Prime Rate plus the Rate Margin (as applicable for the same Leverage Ratio as previously was applicable for the Adjusted LIBO Rate) for the remainder of the then-current Interest Period for such Portion.

b. Unavailability of Eurodollar Funds. An Adjusted LIBO Rate will not be available for the Term Loan Facility if a particular Lender at any time determines or reasonably believes that (1) Eurodollar deposits equal to the amount of principal under the Term Loan Facility for the applicable Interest Period are unavailable, or (2) an Adjusted LIBO Rate will not adequately and fairly reflect the cost of maintaining balances under the Term Loan Facility, or (3) by reason of circumstances affecting Eurodollar markets, adequate and reasonable means do not then exist for ascertaining an Adjusted LIBO Rate. Such Lender will give Administrative Agent notice of any such determination and adjustment within a reasonable period of time thereafter. Upon receipt of such notice, Administrative Agent will provide a copy thereof to Borrowers, and (upon written request) such Lender will furnish to Administrative Agent and Borrowers a statement setting forth the basis for such determination or reasonable belief. A determination or belief by any Lender hereunder will be conclusive absent manifest error.

c. Illegality. An Adjusted LIBO Rate also will not be available under the Term Loan Facility if a particular Lender at any time determines or reasonably believes that it is unlawful or impossible to fund or maintain sufficient Eurodollar liabilities for the Term Loan Facility under an Adjusted LIBO Rate. Such Lender will give Administrative Agent notice of any such determination and adjustment within a reasonable period of time thereafter. Upon receipt of such notice, Administrative Agent will provide a copy thereof to Borrowers, and (upon written request) such Lender will furnish to Administrative Agent and Borrowers a statement setting forth the basis for such determination or reasonable belief. A determination or belief by any Lender hereunder will be conclusive absent manifest error.

d. Continuance of a Default. An Adjusted LIBO Rate, unless Required Lenders otherwise consent, also will not be available under the Term Loan Facility during the existence of any Default or Event of Default under the Loan Documents.

e. Alternative Rate. During the occurrence of any event described in either Clauses "b," "c" or "d" of this Subsection, each Lender's obligation hereunder to fund or maintain balances under an Adjusted LIBO Rate will be suspended, and during such period, the outstanding balance under the Term Loan Facility will bear interest at the Prime Rate plus the appropriate Rate Margin (determined in accordance with Section 1.1.5.5).

1.1.6. Repayment and Prepayment. Each Borrower (jointly and severally) hereby promises to pay Administrative Agent the aggregate indebtedness under the Term Loan Facility (and other Loan Documents) in accordance with the following provisions (and, as applicable, Sections 1.3, 1.5 and 1.7):

1.1.6.1. Interest Payments. Interest accrued under the Term Loan Facility is due and payable monthly in arrears on the last calendar day of each month and also, at the option of Administrative Agent, on the last calendar day of each Interest Period for any Portion accruing interest at an Adjusted LIBO Rate. Such payments shall commence on the first such date after the Closing Date. Upon prior written notice of at least 30 calendar days from Administrative Agent to Borrowers, Administrative Agent may change the date during a month on which such payments are due and payable.

1.1.6.2. Principal Payments -- Amortization. On the last calendar day of each May, August, November and February, beginning with May 31, 2001, a payment of principal

equal to the applicable percentage set forth below of the principal balance under the Term Loan Facility after accounting for all Advances is due and payable in its entirety. Upon prior written notice of at least 30 calendar days from Administrative Agent to Borrowers, Administrative Agent may change the date during a quarter on which such payments are due and payable.

<u>Date</u>	<u>Percentage</u>
May 31, 2001 <u>through</u> February 28, 2002	3.75% each
May 31, 2002 <u>through</u> February 28, 2003	6.25% each
May 31, 2003 <u>through</u> February 28, 2005	7.50% each

1.1.6.3. Intentionally Blank.

1.1.6.4. Payments at Maturity. The outstanding indebtedness under the Term Loan Facility (including all principal, interest, fees, expenses and indemnities) is due and payable in its entirety on the Term Loan Maturity Date.

1.1.6.5. Prepayments.

a. Voluntary Prepayments. At any time, upon prior written notice to Administrative Agent of at least five (5) Business Days, the outstanding principal balance under the Term Loan Facility may be prepaid in whole or in part without premium or penalty, except as provided in Section 1.1.6 or Section 1.5. Any voluntary partial prepayment must be in an amount of not less than \$100,000 or in an integral multiple thereof.

b. Mandatory Prepayments -- Excessive Balance. If the outstanding indebtedness under the Term Loan Facility at any time exceeds the Available Credit Portion as determined in accordance with Section 1.3, then such excess amount outstanding must be re-paid to Administrative Agent in its entirety immediately upon the earlier of (1) awareness by Borrowers of the advance or incurrence thereof or (2) demand by Administrative Agent for payment thereof.

c. Mandatory Prepayments -- Equity Issuances and Asset Sales. If any Borrower issues any equity securities (other than equity securities to another Borrower) the proceeds of which are less than \$5,000,000 or greater than \$30,000,000, or if Borrowers collectively sell, lease, license, transfer or otherwise dispose of any assets (other than inventory or other assets either sold in the ordinary course of business with the proceeds thereof promptly reinvested in similar assets at similar locations or sold to another Borrower), then a prepayment must be immediately made on the outstanding indebtedness under the Term Loan Facility, unless Required Lenders otherwise consent. The amount of any such mandatory prepayment will be the higher of the cash proceeds or the cash equivalent of the fair market value of any such equity issuance or asset dispositions net of (1) reasonable commissions and expenses actually paid to unrelated third parties

in connection with such transactions and (2) taxes actually due as a direct result of such transactions (as such taxes are estimated and certified to Administrative Agent by an acceptable certified public accountant or Borrowers' chief financial officer).

d. In General. Any prepayments under the Term Loan Facility must include all accrued but unpaid interest under the Term Loan Facility allocable to the amount prepaid through the date of such prepayment.

1.1.6.6. Availability for Reborrowing. Principal amounts repaid or prepaid under the Term Loan Facility prior to the Term Loan Maturity Date will not be available for reborrowing hereunder.

1.2. Intentionally Blank.

1.3. Determination of Commitment Amounts.

1.3.1. Initial Commitment. Upon the execution of this Agreement and satisfaction of the conditions precedent set forth in Section 2.1, the Term Loan Commitment established hereunder will be \$15.0 million ("Term Loan Commitment").

1.3.2. Available Credit Portion. The maximum amount of credit available at any time under the Term Loan Facility may not exceed the amount resulting from the following formula:

- a. The Term Loan Commitment, and
- b. Minus such portion of the Term Loan Commitment as is reserved for future acquisitions under Section 1.1.3 (until such time as such acquisitions occur), and
- c. Minus the then-aggregate amount of all prepayments relating to equity issuances and asset sales required to have been paid since the Closing Date under Section 1.1.6.5.c, and
- d. Minus the aggregate amount of all voluntary commitment reductions requested under Section 1.3.3.

(Collectively, the amount resulting from the equation under categories "a" through "d" above is referred to as the "Available Credit Portion".) On the effective date of any such reduction in the Available Credit Portion, a prepayment must be made to the extent required under Section 1.1.6.5.b.

1.3.3. Voluntary Reduction of Commitment. Upon giving Administrative Agent prior written notice of at least five (5) Business Days, Borrowers at any time and from time to time may reduce the Term Loan Commitment in multiples of \$100,000. On the effective date of any such reduction, a prepayment must be made to the extent required under Section 1.1.6.5.b. Any such reduction in the Term Loan Commitment will be permanent, and such Commitment cannot thereafter be increased without the written consent of Lenders.

1.4. Advances.

1.4.1. Requesting Advances. To request an Advance (other than the initial Advances on the Closing Date) under the Term Loan Facility, Borrowers must give Administrative Agent written notice (or verbal notice by telephone with immediate written confirmation to follow) at least three (3) Business Days (but not more than ten (10) Business Days) prior to the requested Settlement Date for such Advance (such notice, an "Advance Request"). Such Advance Request, together with certain certifications, must be substantially in the form of Exhibit 1.4.1 or such other form as Administrative Agent may reasonably request. Each Advance under the Term Loan Facility pursuant to an Advance Request (unless Administrative Agent otherwise consents) must be in an amount of at least \$100,000 and may not be greater than the un-borrowed balance of the Available Credit Portion. Unless Administrative Agent otherwise consents, Borrowers may only request one Advance after the Closing Date.

1.4.2. Funding Advances. Subject to the satisfaction of and compliance with the terms and conditions hereof (including, as applicable, the conditions precedent specified in Article 2), Administrative Agent will make each Lender's Pro Rata portion of each requested Advance (to the extent such funds are received by Administrative Agent) available by crediting such amount to the Account with Administrative Agent (or by such other means as Administrative Agent may consider reasonable). At the written request and expense of Borrowers, Administrative Agent will wire transfer all or any portion of an Advance in accordance with such written instructions therefor. By executing this Agreement, each Borrower (jointly and severally) hereby requests Administrative Agent and each Lender to make and fund the initial Advances (to the extent that Administrative Agent receives each Lender's Pro Rata portion of the initial Advances) in accordance with the funding instructions attached as Schedule 1.4.2.

1.4.3. Indemnification for Revocation or Failure to Satisfy Conditions. Each Borrower (jointly and severally) will indemnify each Lender and Administrative Agent against all losses and costs incurred by such Lender and Administrative Agent as a result of any revocation of any requested Advance or any failure to fulfill the applicable conditions precedent to such Advance on or before the requested Settlement Date specified in an Advance Request. Such indemnification will include (among other things) all losses and costs incurred by reason of the liquidation or reemployment of funds required by such Lender or Administrative Agent to fund the Advance when such Advance, as a result of such failure, is not made on the requested Settlement Date. Such Lender's or Administrative Agent's (as applicable) calculation of such losses and costs will be conclusive absent manifest error.

1.4.4. Obligation to Advance. No Lender will be obligated to make any Advance under the following circumstances: (a) if the principal amount of such Advance plus the aggregate amount outstanding under the Term Loan Facility would exceed the Available Credit Portion, or (b) during the existence of a Default or an Event of Default hereunder, or (c) if such Advance would cause a Default or Event of Default hereunder, or (d) after the Final Term Draw Date.

1.5. Payments in General.

1.5.1. Manner and Place of Payments. All payments of principal, interest, fees, expenses, indemnities and other amounts due under the Loan Documents must be received by Administrative Agent by wire transfer (unless Administrative Agent otherwise consents) in immediately available funds in U.S. dollars (and without any deduction, offset, netting, reservation of rights or counterclaim) on or before Two O'clock (2:00) p.m. Eastern Time ("ET") on the due

date therefor at the principal office of Administrative Agent set forth in Notice Section hereof or at such other place as Administrative Agent may designate from time to time.

1.5.2. Special Payment Timing Issues. Whenever any payment to be made under any Loan Document is due on a day that is not a Business Day, then such payment may be made on the next succeeding Business Day, and such extension of time will be included in the computation of interest under such Loan Document. Any funds received by Administrative Agent after 2:00 p.m. ET on any day will be deemed to be received on the next succeeding Business Day.

1.5.3. Application of Payments. All payments and other funds received by Administrative Agent under the Loan Documents will be applied in the following order: (a) first to the payment of any fees and charges due under the Loan Documents, and (b) then to any obligations for the payment of expenses, costs and indemnities due under the Loan Documents, and (c) then to the payment of interest due and owing under the Loan Documents, and (d) then to the principal indebtedness due under the Term Loan Facility, and (e) then to principal outstanding (but not yet due) under the Term Loan Facility, and (f) then to any other interest accrued under the Loan Documents, and (g) then to any other indebtedness of any Borrower or other Obligor to any Lender. Notwithstanding the foregoing, payments allocable to principal (other than scheduled periodic payments) will be applied to reduce future scheduled payments in the inverse order of maturity.

1.5.4. LIBO Rate Payments Not at End of Interest Period. Upon payment of any amount accruing interest based upon an Adjusted LIBO Rate on any day other than the last day of the corresponding Interest Period (whether such payment is voluntary, mandatory, by demand, acceleration or otherwise), then Borrowers must pay Administrative Agent the greater of (a) \$500 or (b) all costs and losses (including funding costs and any losses associated with the re-deployment of such funds for the balance of such Interest Period) that may arise or be incurred as a result of or in connection with such payment (as such costs and losses may be calculated by Lenders). Upon written request, Lenders (through Administrative Agent) will furnish a statement setting forth the basis for such calculation. A determination or calculation by any Lender hereunder will be conclusive absent manifest error.

1.5.5. Capital Adequacy, Taxes and Other Adjustments. If any Lender determines that (a) the adoption, implementation or interpretation after the Closing Date of any law, treaty, governmental (or quasi-governmental) rule, regulation, guideline, directive, policy or order regarding capital adequacy, reserve requirements, taxes or similar requirements, or (b) compliance by such Lender or any entity controlling or funding the operations of such Lender with any request or directive regarding capital adequacy, reserve requirements, taxes or similar requirements (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) from any central bank, governmental agency, controlling entity, funding source or body having jurisdiction would, in either instance, have the effect of increasing the amount of capital, reserves, taxes (other than income taxes of Administrative Agent or any Lender), funding costs or other funds required to be maintained or paid by such Lender and thereby reducing the rate of return on such Lender's capital as a consequence of its obligations under the Loan Documents, then Borrowers must pay to such Lender additional amounts sufficient to compensate such Lender for such reduction. Such Lender will give Administrative Agent notice of any such determination and payment amount within a reasonable period of time thereafter. Upon receipt of such notice, Administrative Agent will provide a copy thereof to Borrowers, and (upon written request) such Lender will furnish a statement

to Administrative Agent and Borrowers setting forth the basis and the method for determining the amount of such payment. A determination by any Lender hereunder will be conclusive absent manifest error.

1.5.6. Payment of Expenses, Indemnities and Protective Advances. If any funds are advanced or costs are incurred by Administrative Agent or any Lender to or on behalf of Borrowers or otherwise as permitted under the Loan Documents (including as protective advances), other than Advances pursuant to Section 1.4, then such advances or costs must be re-paid to Administrative Agent in their entirety immediately upon the earlier of (a) awareness by Borrowers of the advance or incurrence thereof or (b) demand by Administrative Agent for payment thereof.

1.5.7. Payments upon Termination. Notwithstanding any other provision hereof, the entire outstanding indebtedness under each Facility (including all principal, interest, fees, expenses and indemnities) is due and payable in its entirety upon any termination of such Facility, the corresponding Commitment therefor, or this Agreement.

1.5.8. Late Payments. If any payment (of principal, interest, fees, expenses, indemnities or other amounts) due under any Loan Document is not received by Administrative Agent in immediately available funds on or before the 7th calendar day after the due date therefor, then each Borrower (jointly and severally) hereby agrees (to the maximum extent not prohibited by applicable law) to pay to Lenders (through Administrative Agent and upon Administrative Agent's request) a late payment charge equal to 5% of the amount of such late payment. Additional and separate late payment charges (to the maximum extent not prohibited by applicable law) may be subsequently imposed hereunder by Administrative Agent from time to time (a) if any late payment or late payment charge is not received by Administrative Agent in immediately available funds on or before the 30th calendar day after any demand therefor, and (b) if any other payment due under any Loan Document is not received by Administrative Agent in immediately available funds on or before the 7th calendar day after the due date therefor. The late payment charges due under this Section are in addition to any other interest, fees, charges, expenses or indemnities due under the Loan Documents.

1.5.9. Default Interest. During the existence of a Default or an Event of Default hereunder, each Borrower (jointly and severally) hereby agrees (to the maximum extent not prohibited by applicable law) to pay to Lenders (through Administrative Agent and upon Administrative Agent's request but commencing on the date of occurrence of such Default or Event of Default) interest on any indebtedness outstanding hereunder at the rate of **Three Percent** (3%) per annum in excess of the rate then otherwise applicable to such indebtedness. Notwithstanding the foregoing, if the relevant Default is under Section 7.1.10, then such rate increase (to the maximum extent not prohibited by applicable law) will occur automatically without any request by Administrative Agent.

1.5.10. Usury Savings Provision. Notwithstanding any provision of any Loan Document, Borrowers (individually and collectively) are not and will not be required to pay interest at a rate or any fee or charge in an amount prohibited by applicable law. If interest or any fee or charge payable on any date would be in a prohibited amount, then such interest, fee or charge will be automatically reduced to the maximum amount that is not prohibited, and any interest, fee or charge for subsequent periods (to the extent not prohibited by applicable law) will be increased accordingly until Administrative Agent and each Lender receives payment of the full amount of each such

reduction. To the extent that any prohibited amount is actually received by Administrative Agent or any Lender, then such amount will be automatically deemed to constitute a repayment of principal indebtedness hereunder.

1.6. Release of Security. Upon termination of the Loan Documents in accordance with Section 10.10, then Administrative Agent (at the written request and expense of Borrowers) (i) will release the Obligors and the property serving as Collateral under the Loan Documents (without representation, warranty, recourse, liability or indemnification of any kind by or to Administrative Agent or any Lender), and (ii) will execute and deliver such UCC termination statements, mortgage releases, deed of trust releases, and other documentation and instruments (all in form and substance reasonably acceptable to Administrative Agent) as may be reasonably requested and provided to Administrative Agent to effect such releases and terminations, and (iii) will terminate and cancel all Commitments and all Facilities under the Loan Documents.

1.7. Fees and Other Compensation.

1.7.1. Origination Fee.

1.7.1.1. On the Closing Date, Borrowers will pay Administrative Agent an Origination Fee in the amount of \$300,000, which amount is treated as prepaid non-refundable interest.

1.7.1.2. If (a) the Advance made on the Closing Date is greater than \$10 million, or (b) after the Closing Date, Lenders make an Advance(s) the proceeds of which are not used to fund one or more acquisitions that have been approved by Required Lenders (other than the Initial Acquisitions), then, as an additional Origination Fee, BiznessOnline will issue to Lenders entitled thereto (or their designated Affiliates) such number of shares of the common stock of BiznessOnline resulting from the following formula: \$500,000 divided by the "Block A Exercise Price" (as defined in the Warrant Agreement) applicable on the Settlement Date for such Advance.

1.7.2. Issuance of Warrants. As additional compensation for the cost and risk incurred associated with underwriting and establishing the Term Loan Facility (but in no way affecting or relieving any Borrower of any of its obligations to fully and timely perform and to repay the entire indebtedness due under the Loan Documents), BiznessOnline will issue and grant to Lenders entitled thereto (or their designated Affiliates) warrants exercisable into shares of common stock of BiznessOnline sufficient to represent the greater of 500,000 shares of its common stock or 7.5% of its issued and outstanding shares of common stock as of the Closing Date, on a fully diluted basis ("Warrants"). The Warrants will be fully earned by such Lenders (or their Affiliates) as of the Closing Date. The Warrants (and all of Lenders' rights in connection therewith) are freely assignable and transferable at any time and from time to time by any Lender entitled thereto (or any of its Affiliates or assignees) to any other Person, provided that such Lender complies with any applicable restrictions thereon (and obtains any necessary approvals in connection therewith) required by any applicable State PUC (but only to the extent non-compliance therewith could reasonably be expected to have or cause a Material Adverse Effect), the FCC, the SEC or the Warrant Agreement itself.

1.7.3. [Success Fee]. If on or before April 1, 2001, the Borrowers prepay the Term Loan Facility such that the remaining principal balance of the Term Loan Facility after application of

such prepayment is \$3,000,000 or less, then Borrowers shall also pay to Lenders a [Success Fee] in the amount of \$400,000 on the date of such prepayment.

1.7.4. Other Fees. Other fees and charges may be imposed by Administrative Agent or any Lender for services rendered under and in accordance with other agreements with Administrative Agent or such Lender.

ARTICLE 2: CONDITIONS PRECEDENT

2.1. Closing Conditions. The obligation of Administrative Agent or any Lender to execute and perform the Loan Documents, and to establish the Term Loan Facility, and to fund the Advances listed on Schedule 1.4.2 are subject to the following conditions precedent (unless and except to the extent expressly waived by Administrative Agent and each Lender in their sole and absolute discretion):

2.1.1. Compliance.

2.1.1.1. Fees and Expenses. Borrowers must have paid (or made acceptable arrangements with Administrative Agent to pay) all fees and expenses due and payable hereunder, including all fees due and payable under Section 1.7 and the reasonable fees and expenses of Administrative Agent's and each Lender's attorneys and in-house documentation personnel with respect to the preparation, negotiation and execution of the Loan Documents.

2.1.1.2. Representations. Each, and all, representations and warranties contained in this Agreement (including those in Article 3) and in each other Loan Document, certificate or other writing delivered to Administrative Agent or any Lender pursuant hereto or thereto on or prior to the Closing Date must be true, correct and complete in all material respects on and as of the Closing Date, except for such deviations disclosed in writing and acceptable to Administrative Agent and each Lender.

2.1.1.3. No Default. There must not be any Default or Event of Default hereunder or any default under any other Loan Document on the Closing Date, and there must not be any such Default or Event of Default occurring as a result of executing or advancing funds under the Loan Documents, except for such defaults disclosed in writing and acceptable to Administrative Agent and each Lender.

2.1.1.4. No Material Change. There must not have been (in Administrative Agent's or Lenders' reasonable opinion) any Material Adverse Change between the date for the most recent financial statements delivered to Administrative Agent and the Closing Date.

2.1.2. Documents. Administrative Agent must have received the following documents, agreements and certificates (together with all exhibits and schedules thereto), each duly executed, in form, substance and amount satisfactory to Administrative Agent and, when applicable, recorded or filed in the appropriate public office:

2.1.2.1. Credit Agreement. This Agreement.

2.1.2.2. Promissory Notes. The Term Loan Notes as described in Section 1.1.4.

2.1.2.3. Security Agreement, Collateral Assignment and Pledge. A master security agreement, collateral assignment and pledge by **each Borrower** in favor of Administrative Agent granting Administrative Agent a security interest in and collaterally assigning to Administrative Agent all of such grantor's tangible and intangible personal property assets (including fixtures), whether now owned or hereafter acquired, and the proceeds and products thereof, as collateral security for the indebtedness and obligations hereunder, together with all necessary financing statements and termination statements (each as filed), stock certificates and powers executed in blank, waivers and consents, and evidence of any other recordations required by applicable law or by Administrative Agent to perfect such security interests in a manner that will be subject only to Permitted Liens.

2.1.2.4. Intellectual Property Security Agreements. One or more separate intellectual property security agreements by **each Borrower** in favor of Administrative Agent encumbering all of such grantor's copyrights, patents, trade names, trademarks, service names, service marks and other intellectual property (including any and all applications and licenses therefor), all as now owned or hereafter acquired, and the proceeds and goodwill thereof, together with all appropriate financing statements and termination statements (each as filed), waivers and consents, and any other documents or recordations required by applicable law or by Administrative Agent to perfect such interests. **[Comment: This provision can be waived if Borrowers do not own or license any Intellectual Property that is registered (or in the process of registration) with the PTO or Copyright Office (or equivalent state agencies).]**

2.1.2.5. Estoppel and Consent Agreements. One or more estoppel and consent agreements in favor of Administrative Agent by each party to any real property lease with any Borrower and/or any other Material Contract with any Borrower consenting to the encumbrance of such property and/or the collateral assignment of the rights with respect thereto in favor of Administrative Agent and granting to Administrative Agent certain other rights pursuant thereto. **[Comment: This may include the lease on Borrower's chief executive office, any Capital Leases on switches, the leases on any locations at which Borrower has switches, application hosting servers, routing equipment or other systems (including backups) critical to the operation of Borrower's business, and any other contract that Lenders determine are material]**

2.1.2.6. Warrants. One or more separate warrant agreements by BiznessOnline issuing and granting to each Lender entitled thereto (or its designated Affiliate) the Warrants, together with all underlying warrant certificates and evidence of necessary actions by BiznessOnline to authorize and issue such warrants and related warrant shares.

2.1.2.7. Insurance. Current proof of insurance with an indication of loss payee and additional insured endorsements in favor of Administrative Agent with respect to all of the coverages required under Section 4.8. Such proof of insurance must be indicated pursuant to one or more certificates on (a) an ACORD 27 form (3/93) for property-related insurance coverages and (b) a modified version of an ACORD 25-S form (3/93), in each instance permitting reliance by Administrative Agent and requiring cancellation notification.

2.1.2.8. Compliance Certificates. A certificate from an Authorized Officer of each Borrower dated as of the Closing Date certifying as to compliance with the matters described under Section 2.1.1.

2.1.2.9. Opinions of Counsel. One or more written opinions from legal counsel to Borrowers addressed to Administrative Agent and each Lender and Administrative Agent's counsel and dated as of the Closing Date opining as to such matters as Administrative Agent may request.

2.1.2.10. Payoff Instructions for Prior Indebtedness. A letter from Borrowers to Administrative Agent, consistent with the requirements of Section 1.1.3, Section 1.4 and Section 2.1.1, instructing Administrative Agent how to disburse the proceeds of the initial Advance, together with payoff and release letters from each Person receiving any such proceeds.

2.1.2.11. Authorization Documents. A certificate of an Authorized Officer of each Borrower and each other non-natural person executing any Loan Document delivering true, accurate and complete versions of (a) its Articles of Incorporation, Articles of Organization or Certificate of Partnership (as applicable) and all amendments thereto, and (b) its Bylaws, Operating Agreements or Partnership Agreements (as applicable) and all amendments thereto, and (c) the resolutions authorizing its execution, delivery and full performance of the Loan Documents and all other documents, certificates and actions required hereunder or in connection herewith, and (d) an incumbency certificate setting forth its officers (together with the corresponding signatures), and (e) a long-form good standing and qualification certificate (issued within 15 calendar days before the Closing Date) with respect to each jurisdiction listed on Schedule 3.1, and (f) a copy of each License (or renewal thereof) issued to it by the FCC (and/or, if applicable, any State PUC).

2.1.2.12. Officer's Certificates. One or more certificates of an Authorized Officer of each Borrower delivering true, accurate and complete copies of the following documents (together with all amendments, exhibits and schedules thereto):

- a. Lien Searches -- Searches (conducted within 15 calendar days before the Closing Date) satisfactory to Administrative Agent with respect to consensual liens, tax liens, judgments and bankruptcy, listing respectively (1) all effective UCC financing statements that name any Borrower (including any predecessor thereto and any operating or tradenames thereof) as "debtor" that are filed in the States of New York, Connecticut, New Jersey, Massachusetts or any other U.S. jurisdiction in which such debtor currently operates or has had assets at any time within the immediately preceding 12 calendar months (together with copies of such financing statements), and (2) all tax liens against any Obligor (or the assets thereof), and (3) all outstanding judgments against any Obligor (or the assets thereof), and (4) whether any Obligor has filed bankruptcy within the preceding 5 years.

- b. Financial Statements -- A set of the monthly financial statements of Borrowers for the month ending _____, 1999.
- c. Equityholder Agreements -- Each shareholder agreement, member agreement, partner agreement, voting agreement, buy-sell agreement, option, warrant, put, call, right of first refusal, and any other agreement or instrument with conversion rights into equity of any Borrower either (1) between any Borrower and any holder or prospective holder of any equity interest of any Borrower (including interests convertible into such equity) or (2) otherwise between any two or more such holders of equity interests.
- d. Employment and Non-Compete Agreements -- Each employment agreement, consulting agreement and non-compete agreement between any Borrower and any director, officer, employee or former owner of any Borrower.
- e. Inter-Affiliate Agreements -- Each written agreement between any Borrower and any Affiliate of any Borrower.
- f. Disaster Recovery and Contingency Program -- A description of the currently effective disaster recovery and contingency program of each Borrower, as required to be delivered under Section 4.8.
- g. Leases as Lessee -- Each lease between any Borrower and any owner or landlord of real or personal property used in connection with such Borrower's business either (1) for which it has an annual rent obligation in excess of \$36,000 or (2) for a switch site or call center or for a location at which a Borrower has application hosting servers, routing equipment or other critical systems.
- h. Leases as Lessor -- Each lease between any Borrower and any lessee of real or personal property owned or leased by any Borrower, but only to the extent the lessee thereunder has an annual rent obligation in excess of \$12,000.
- i. Other Agreement -- Such other agreements and documents as Lender may reasonably request, including a complete set of the executed asset purchase agreements and/or merger agreements governing the Initial Acquisitions.

2.1.2.13. Other Documents. Administrative Agent must have received any additional agreements, documents and certificates as Administrative Agent or its counsel may reasonably request.

2.1.3. Initial Acquisitions. Borrowers simultaneously must consummate and complete their acquisition of substantially all of the assets or 100% of the stock, as applicable, of the entities listed on Schedule 2.1.3 (the "Initial Acquisitions") under terms and conditions reasonably acceptable to Lender. In addition, the due diligence program conducted by Borrowers in connection with such acquisitions separately must be reasonably acceptable to Lender in form, content and results.

2.2. Future Term Loan Advances. The obligation of Administrative Agent and each Lender to fund any request for an Advance under the Term Loan Facility is subject to the following conditions precedent (unless and except to the extent expressly waived by Administrative Agent in its sole and absolute discretion, but with the concurrence of the Required Lenders):

2.2.1. Advance Request. Administrative Agent must have received an Advance Request under and in accordance with Section 1.4.1.

2.2.2. Cash Flow Leverage. As of the Settlement Date for such Advance (and in addition to any other requirements and covenants hereunder), Borrowers must be in compliance with the Pro Forma Leverage Ratio requirement under Section 4.1 using an amount for Funded Debt that is as of such Settlement Date and inclusive of the proposed Advance.

2.2.3. Other Documents. Administrative Agent must have received any additional documents, certificates and opinions as Administrative Agent or its counsel may reasonably request, including UCC-1 financing statements, fixture filings and leasehold mortgages regarding new locations for other assets of any Borrower.

2.2.4. Subsequent Acquisitions. Borrowers simultaneously must consummate and complete the acquisition being funded with the proceeds of the Advance under terms and conditions reasonably acceptable to Required Lenders. In addition, the due diligence program conducted by Borrowers in connection with such acquisition separately must be reasonably acceptable to Required Lenders in form, content and results.

2.2.5. Compliance.

2.2.5.1. Fees and Expenses. Borrowers must have paid (or made acceptable arrangements with Administrative Agent to pay) all fees and expenses due and payable hereunder, including all reasonable expenses incurred in connection with or as a result of reviewing and funding such Advance Request.

2.2.5.2. Representations. Each, and all, representations and warranties contained in the Loan Documents (including those in Article 3) and in each other certificate or other writing delivered to Administrative Agent pursuant hereto or thereto on or prior to the Settlement Date must be true, correct and complete in all material respects on and as of the Settlement Date, except for such deviations disclosed in writing and acceptable to Administrative Agent and each Lender (which disclosure will not constitute Lenders' waiver or acceptance thereof).

2.2.5.3. No Default. There must not be any Default or Event of Default hereunder or any default under any other Loan Document on the Settlement Date, and there must not be any such Default or Event of Default occurring as a result of funding such Advance, except for

such defaults disclosed in writing and acceptable to Administrative Agent and each Lender (which disclosure will not constitute Lenders' waiver or acceptance thereof).

2.2.6. No Material Change. There must not have been (in Administrative Agent's or Lenders' reasonable opinion) any Material Adverse Change between the Closing Date and the Settlement Date.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES

Each Borrower, as of the Closing Date and the Settlement Date for each Advance hereunder, hereby (jointly and severally) represents and warrants as follows:

3.1. Organization and Good Standing. Each Borrower (a) is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and (b) has all requisite power and authority (corporate, partnership, LLC and otherwise) to own its properties and to conduct its business as now conducted and as currently proposed to be conducted, and (c) is duly qualified to conduct business as a foreign organization and is currently in good standing in each state and jurisdiction in which it conducts business, except where failure to be duly qualified and in good standing could not have a Material Adverse Effect. Each state and jurisdiction in which any Borrower is organized or is (or should be) qualified to conduct business under applicable law is listed on Schedule 3.1.

3.2. Power and Authority. Each Borrower has all requisite power and authority under applicable law and under its Organic Documents, Authorizations and Licenses to execute, deliver and perform the obligations under the Loan Documents to which it is a party. Except as disclosed on Schedule 3.2, all actions, waivers and consents (corporate, regulatory and otherwise) necessary or appropriate for any Borrower to execute, deliver and perform the Loan Documents to which it is a party have been taken and/or received.

3.3. Validity and Legal Effect. This Agreement constitutes, and the other Loan Documents to which any Borrower is a party constitute (or will constitute when executed and delivered), the legal, valid and binding obligations of each Borrower (jointly and severally) enforceable against it in accordance with the terms thereof.

3.4. No Violation of Laws or Agreements. The execution, delivery and performance of the Loan Documents (a) will not violate or contravene any material provision of any material law, rule, regulation, administrative order or judicial decree (federal, state or local), and (b) will not violate or contravene any provision of the Organic Documents of any Borrower, and (c) will not result in any material breach or violation of (or constitute a material default under) any material agreement or instrument by which any Borrower or any of its property may be bound, and (d) will not result in or require the creation of any Lien (other than pursuant to the Loan Documents) upon or with respect to any properties of any Borrower, whether such properties are now owned or hereafter acquired.

3.5. Title to Assets; Existing Encumbrances; Identification of Intellectual and Real Property.

3.5.1. Each Borrower has good and marketable title to all of its owned real and personal property assets and the right to possess and use all of its leased or licensed real and personal property assets. All such property interests are free and clear of any Liens, except for Permitted Liens (as defined in Section 5.5). Each such property and asset owned, leased or licensed by any Borrower is titled, leased or licensed in the current legal name of such Borrower.

3.5.2. Intellectual Property -- Schedule 3.5A lists each trademark, service mark, copyright, patent, database, customized application software and systems integration software, trade secret and other intellectual property owned, licensed, leased, controlled or applied for by any Borrower, whether or not such intellectual property is recorded with the Copyright Office or the Patent and Trademark Office, together with relevant identifying information with respect to such intellectual property describing (among other things) the date of creation, the method of protection against adverse claims and the registration number.

3.5.3. Real Property -- Schedule 3.5B lists each real property interest owned, leased or otherwise used by any Borrower, together with relevant identifying information describing (among other things) the use of each such real property interest, the location and mailing address for each such real property, a legal description for each such real property, an indication of whether such interest is owned or leased (and, if leased, the lessor and record owner thereof), and the estimated appraised value thereof. Each such property and asset is in good order and repair (ordinary wear and tear excepted) and is fully covered by the insurance required under Section 4.8.

3.5.4. Schedule 3.5C identifies each legal, operating and trade name that any Borrower has used (or permitted the filing of a UCC financing statement under) at any time during the twelve (12) consecutive calendar years immediately preceding the Closing Date.

3.6. Capital Structure and Equity Ownership. Schedule 3.6 accurately and completely discloses (a) the number of shares and classes of equity ownership rights and interests of each Borrower authorized and/or outstanding (whether existing as common or preferred stock, general or limited partnership interests, or LLC membership interests, or warrants, options or other instruments convertible into such equity), and (b) the ownership thereof and the price per share or interest paid therefor, and (c) the existence of preferential returns or liquidation rights with respect to any such class of equity, and (d) the existence of any enhanced voting rights, veto rights or director designation rights with respect to any such class of equity, and with respect to options, warrants and convertible instruments, the price, duration and conversion factor thereof. All such shares and interests are validly existing, fully paid and non-assessable.

3.7. Subsidiaries, Affiliates and Investments. Schedule 3.7 accurately and completely discloses (a) each Subsidiary and Affiliate of each Borrower (other than its officers and directors) and (b) each investment in or loan to any other Person by any Borrower in excess of \$25,000.

3.8. Material Contracts. Schedule 3.8 (a) accurately and completely discloses each Material Contract (as defined below) of each Borrower, and (b) also indicates the following information with respect to each such contract: (1) the contract parties thereunder, and (2) the contract term and any options or renewals thereto, and (3) the monthly payment required thereunder,

and (4) any restrictions on assignments, and (5) any restrictions on disclosure of the terms thereof, and (6) the existence of any breaches or defaults thereunder. No Borrower has committed any unwaived breach or default under any Material Contract (whether or not listed on Schedule 3.8), and after due inquiry and investigation, no Borrower has any knowledge or reason to believe that any other party to any such Material Contract (whether or not listed on Schedule 3.8) has or might have committed any unwaived breach or default thereof. For purposes of this Section 3.8, a "Material Contract" of a Borrower includes the following types of agreements to which a Borrower is a party: (1) any contract either with annual compensation, consideration or payments in excess of \$250,000 or with aggregate compensation, consideration or payments in excess of \$500,000, and (2) any lease of real estate or office space from which a Borrower conducts its primary business operations or from which a Borrower conducts retail operations, and (3) any lease of real estate or space at which a Borrower has application hosting servers, routing equipment, or other systems (including backups) critical to the operation of such Borrower's business, and (4) any contract, agreement or lease under the terms of which a Borrower obtains the right to own, use or operate a switch Internet connectivity equipment or telecommunications equipment, and (5) any leased line agreement, and (6) any carrier agreement, and (7) any interconnection agreement, and (8) any software development agreements, and (9) any contract relating to any Borrower's billing or provisioning system, and (10) any other agreement or contract the loss or breach of which could reasonably be expected to have or cause a Material Adverse Effect.

3.9. Licenses and Authorizations. Each Borrower possesses all Licenses and other Authorizations necessary or required in the conduct of its businesses and/or the operation of its properties. Each material Authorization is valid, binding and enforceable on, against and by such Borrower. Each material Authorization is subsisting without any defaults thereunder or enforceable adverse limitations thereon, and no Authorization is subject to any proceedings or claims opposing the issuance, continuance, renewal, development or use thereof or contesting the validity or seeking the revocation thereof. Schedule 3.9 accurately and completely lists each material Authorization of each Borrower (including, whether or not otherwise "material", each License and other Authorization issued by the FCC or any State PUC, and further including all pending applications and renewals therefor), together with relevant identifying information describing such Authorizations. With respect to each License issued by the FCC or any State PUC listed on Schedule 3.9, the description includes (to the extent applicable) the call sign, frequency, class, location, file number, issuance date (original or most recent renewal), and expiration date. For purposes of this Section 3.9, each Authorization issued by the FCC or any State PUC will be deemed to be "material".

3.10. Taxes and Assessments. Except as disclosed on Schedule 3.10, each Borrower has timely filed all required tax returns and reports (federal, state and local) or has properly and timely filed for extensions of the time for the filing thereof. No Borrower has knowledge of any deficiency, penalty or additional assessment due or appropriate in connection with any such taxes. All taxes (federal, state and local) imposed upon any Borrower or any of its properties, operations or income have been paid and discharged prior to the date when any interest or penalty would accrue for the nonpayment thereof, except for those taxes being contested in good faith by appropriate proceedings diligently prosecuted and with adequate reserves reflected on the financial statements in accordance with GAAP (all as also disclosed on Schedule 3.10).

3.11. Litigation and Legal Proceedings. Except as disclosed on Schedule 3.11, there is no litigation, claim, investigation, administrative proceeding, labor controversy or similar action that is pending or (to the best of each Borrower's knowledge and information after due inquiry) threatened against any Borrower or its properties that, if adversely resolved, could reasonably be expected to have or cause a Material Adverse Effect.

3.12. Accuracy of Financial Information. All financial statements previously furnished to Administrative Agent or any Lender concerning the financial condition and operations of any one or more Borrowers (a) have been prepared in accordance with GAAP consistently applied, and (b) fairly present the financial condition of the organization covered thereby as of the dates and for the periods covered thereby (but, with respect to interim periodic financial statements, subject to normal and customary year end audit adjustments), and (c) disclose all material liabilities (contingent and otherwise) of each Borrower. In addition, all written information previously furnished to Administrative Agent or any Lender concerning the financial condition and operations of any Borrower are true, accurate and complete in all material respects.

3.13. Accuracy of Other Information. All written information contained in any application, schedule, report, certificate, or any other document furnished to Administrative Agent or any Lender by any Borrower or any other Person (on behalf of any Borrower) in connection with the Loan Documents is in all material respects true, accurate and complete, and no such Person (including Borrowers) has omitted to state therein (or failed to include in any such document) any material fact or any fact necessary to make such information not misleading. All written projections furnished to Administrative Agent or any Lender by any Borrower or any other Person on behalf of any Borrower have been prepared with a reasonable basis and in good faith, making use of such information as was available at the date such projection was made.

3.14. Compliance with Laws Generally. Each Borrower is in compliance in all material respects with all material laws, rules, regulations, administrative orders and judicial decrees (federal, state, local and otherwise) applicable to it, its operations and its properties.

3.15. ERISA Compliance. Each Borrower is in compliance in all material respects with all applicable provisions of ERISA.

3.16. Environmental Compliance. Each Borrower has received all permits and filed all notifications necessary under and is otherwise in compliance in all material respects with the Environmental Control Statutes.

3.17. Margin Rule Compliance. No Borrower owns or has any present intention of acquiring any "Margin Stock" within the meaning of the following Margin Regulations of the FRB: Regulation T at 12 C.F.R. Pt. 220, and Regulation U at 12 C.F.R. Pt. 221, and Regulation X at 12 C.F.R. Pt. 224. The credit extended under this Agreement does not constitute "Purpose Credit" within the meaning of the FRB's Margin Regulations.

3.18. Fees and Commissions. Except as disclosed on Schedule 3.18 or as required by Section 1.7, no Borrower owes any fees or commissions of any kind in connection with this Agreement or the transactions contemplated hereby, and no Borrower knows of any claim (or any basis for any claim) for any fees or commissions in connection with this Agreement or the transactions contemplated hereby.

3.19. Solvency. No Borrower is "insolvent," as such term is defined in Section 101(32) of the Bankruptcy Code (11 U.S.C. § 101(32)). No Borrower, by virtue of its obligations and actions in connection with the Loan Documents, has engaged or is engaging in any transaction that constitutes a fraudulent transfer or fraudulent conveyance under applicable federal or state law (including under Section 548 of the Bankruptcy Code or under the Uniform Fraudulent Transfer Act or the Uniform Fraudulent Conveyance Act).

3.20. Additional FCC and Other Regulatory Representations. Without limiting the generality of the foregoing representations and warranties, each Borrower further represents and warrants as follows:

3.20.1. General Compliance. Each Borrower is in compliance in all material respects with all material laws, rules, regulations, administrative orders, policies and procedures issued, implemented or administered by the FCC and/or any State PUC applicable to such Borrower, its operations and its properties.

3.20.2. No Unresolved Application, Complaint or Proceeding. Except as described on Schedule 3.20, there is no outstanding or unresolved (a) application by any Borrower for any FCC or State PUC Authorization (including any renewal of any License), or (b) material complaint to the FCC or any State PUC regarding any Borrower or any of its Authorizations, or (c) litigation, investigation or other inquiry by or before the FCC or any State PUC involving any Borrower or any of its Authorizations, or (d) FCC or State PUC enforcement proceeding against any Borrower or any of its Authorizations (including any notice of violation, any notice of apparent liability for forfeiture, or any forfeiture).

3.20.3. Status and Renewal of Licenses. The Licenses identified on Schedule 3.9 constitute all of the Licenses required by the Federal Communications Act or any State Communications Act for the operation of each Borrower's business as it is currently being operated. Each such License is validly outstanding and effective and has been renewed by the FCC or a State PUC without condition for a full term in accordance with the Federal Communications Act or a State Communications Act. There are no modifications, amendments or revocations (pending or, to the best of the knowledge of each Borrower after due inquiry, threatened) that could adversely affect the operations or financial condition of any Borrower. After due inquiry, no Borrower knows of any reason why the FCC or any State PUC would not routinely grant (for a full term and without condition) the application by such Borrower for the renewal of each such License over which the FCC or such State PUC has jurisdiction, when and as such application shall become due to be filed with the FCC or such State PUC.

ARTICLE 4: AFFIRMATIVE COVENANTS

Each Borrower (jointly and severally) hereby covenants and agrees that, so long as any indebtedness remains outstanding hereunder, each Borrower will comply with the following affirmative covenants:

4.1. Financial and Operating Covenants and Ratios. As of the end of each fiscal quarter, beginning with the fiscal quarter ending September 30, 2000, Borrowers will satisfy each of the following financial and operating ratios and characteristics, each of which will be determined (as applicable) using GAAP consistently applied, except as otherwise expressly provided:

4.1.1. Interest Coverage Ratio. A ratio of Pro Forma OCF to Interest Expense of not less than the following:

- a. 1.5-to-1.0, from September 30, 2000 through December 31, 2000; and
- b. 2.0-to-1.0, after December 31, 2000.

4.1.2. Total Charge Coverage Ratio. A ratio of Pro Forma OCF to Total Charges of not less than 1.1-to-1.0.

4.1.3. Cash Flow Leverage Ratio. A ratio of Funded Debt to Pro Forma OCF of not more than the following:

- a. 5.0-to-1.0, from July 1, 2000 through December 31, 2000; and
- b. 4.0-to-1.0, from January 1, 2001 through June 30, 2001; and
- c. 3.0-to-1.0, from July 1, 2001 through December 31, 2001; and
- d. 2.0-to-1.0, after January 1, 2002.

4.2. Periodic Financial Statements and Compliance Certificates.

4.2.1. Monthly Financial Statements. Within 30 calendar days after the end of each calendar month (including the last calendar month of each year), Borrowers must prepare and deliver to Lender a complete set of unaudited internal monthly financial statements, in form and substance as required by and acceptable to Administrative Agent. Together with the monthly financial statements, Administrative Agent and each Lender must also receive a certificate executed by the chief financial officer or such other senior executive officer of each Borrower as is acceptable to Administrative Agent (a) stating that the financial statements fairly present the financial condition of each Borrower as of the date thereof and for the periods covered thereby and (b) calculating, as of the end of such monthly period, the then current amount for the Available Credit Portion, and (c) certifying that as of the date of such certificate there is not any existing Default or Event of Default.

4.2.2. Quarterly Financial Statements. Within thirty (30) calendar days after the end of each fiscal quarter (including the fourth fiscal quarter of each year), Borrowers must prepare and deliver to Administrative Agent and each Lender unaudited quarterly financial statements, in form and substance as required by and acceptable to Administrative Agent. Such financial statements must include a balance sheet and an income statement (with appropriate notes and schedules). Such financial statements must be prepared in accordance with GAAP consistently applied (except as approved by Administrative Agent in its sole and absolute discretion). Together with the quarterly financial statements, Administrative Agent and each Lender must also receive a certificate executed by the chief financial officer or such other senior executive officer of each

Borrower as is acceptable to Administrative Agent (a) stating that the financial statements fairly present the financial condition of each Borrower as of the date thereof and for the periods covered thereby, and (b) calculating, as of the end of such quarterly period, the then-current amount for the Available Credit Portion, and (c) providing a reconciled calculation demonstrating compliance with each financial covenant and ratio under Section 4.1 (using the form attached as Exhibit 4.2), and (d) certifying that as of the date of such certificate there is not any existing Default or Event of Default.

4.2.3. Annual Financial Statements. Within one hundred twenty (120) calendar days after the close of each fiscal year, Borrowers must prepare and deliver to Administrative Agent and each Lender a complete set of audited annual consolidated financial statements (with accompanying notes and consolidating schedules). Such financial statements (a) must include the types of financial statements and information required on a quarterly basis under this Section 4.2 as well as a cash flow statement and a reconciliation of consolidated net worth, and (b) must be prepared in accordance with GAAP consistently applied, and (c) must be certified without qualification by an independent certified public accounting firm satisfactory to Administrative Agent. Together with the annual financial statements, Administrative Agent and each Lender must also receive all related management letters prepared by such accountants and a certificate signed by such accountants, (a) stating that the financial statements fairly present the consolidated financial condition of each Borrower as of the date thereof and for the periods covered thereby, and (b) providing a reconciled calculation demonstrating compliance with each financial covenant and ratio under Section 4.1, and (c) calculating, as of the end of such fiscal year, the then-current amount for the Available Credit Portion, and (d) certifying that as of the date of such certificate, to the best of such accountant's knowledge (after due inquiry), there is not any existing Default or Event of Default.

4.3. Other Financial and Specialized Reports.

4.3.1. Financial Forecasts; Operating Budgets. Within 10 Business Days after receiving, preparing, materially revising or otherwise assembling any periodic budgets or financial forecasts, Borrowers must deliver a complete copy thereof to Administrative Agent and each Lender. In addition, Borrowers must prepare and deliver to Administrative Agent and each Lender a final annual operating budget (in form and substance satisfactory to Administrative Agent) at least 30 calendar days prior to the beginning of each fiscal year.

4.3.2. Additional Material Contracts, Licenses and Authorizations. Each Borrower (a) will notify Administrative Agent in writing within 90 calendar days after executing or becoming bound by any contract, agreement, License or other Authorization that should have been listed on Schedule 3.5A, Schedule 3.8 or Schedule 3.9 if it had existed as of the Closing Date, and (b) will concurrently update Schedule 3.5A, Schedule 3.8 or Schedule 3.9 (as appropriate).

4.3.3. Tax Returns. Within 10 Business Days after the date that any Borrower makes any filing with the Internal Revenue Service relating to its liability for income taxes (or otherwise delivers to any equity owner of such Borrower annual tax and capital information on Form K-1), such Borrowers must deliver a complete copy thereof to Administrative Agent and each Lender.

4.3.4. SEC Filings and Press Releases. Within 10 Business Days after the date that any Borrower or any organization that owns or controls at least 50% of any class of equity

interests of any Borrower makes any filing with the Securities Exchange Commission (whether as a registration statement or a filing on Form 8-K, Form 10-K, Form 10-Q, or otherwise) or issues any press release, Borrowers must deliver a complete copy thereof to Administrative Agent and each Lender.

4.3.5. Operating Reports. Within 30 calendar days after the end of each calendar month, Borrowers must prepare and deliver to Lender reports containing the following information and data with respect to such month reported for each Borrower (and division, as applicable), in form and substance as required by and acceptable to Administrative Agent:

- a. the total number of customers at the end of such month; ; and
- b. the total number of dial-up customers at the end of such month; and
- c. the total number of dedicated customers at the end of such month; and
- d. the total number of web-hosting and co-location customers at the end of such month; and
- e. the total number of non-classified accounts at the end of such month; and
- f. the average revenue per class of accounts for such month; and
- g. the total number of residential customers at the end of such month; and
- h. the total number of new residential customers and the total number of discontinued residential customers for such month; and
- i. the total number of commercial customers at the end of such month; and
- j. the total number of new commercial customers and the total number of discontinued commercial customers for such month.

4.4. Fiscal Year. Each Borrower will maintain a fiscal year that has a December 31st year end.

4.5. Books and Records; Maintenance of Properties. Each Borrower will keep and maintain satisfactory and adequate books and records of account in accordance with GAAP. Each Borrower will also keep, maintain and preserve all of its property and assets in good order and repair (ordinary wear and tear excepted).

4.6. Existence and Good Standing. Each Borrower will preserve and maintain (a) its existence as a corporation under the laws of its jurisdiction of organization, and (b) its good standing

in all jurisdictions where it conducts business, and (c) the validity of all its Authorizations and Licenses required or otherwise appropriate in the conduct of its businesses.

4.7. Deposit Accounts. Borrowers (a) will maintain commercial deposit accounts only at federally insured depository institutions rated as "well capitalized" by their primary federal regulator and (b) will provide Administrative Agent with written notice of the institution's name and location and the account name and number with respect to each such account within twenty (20) calendar days after opening or acquiring any such account. The institution's name and location and the account name and number for each such account currently in existence, as well as an approximate current balance (i.e., a current balance at any time within the preceding thirty (30) calendar days), are listed on Schedule 4.7.

4.8. Insurance; Disaster Contingency.

4.8.1. General Insurance Provisions. Each Borrower will keep all of its property and assets fully covered by insurance with reputable and financially sound insurance companies (reasonably acceptable to Administrative Agent). Each Borrower must also maintain such protection against such hazards and liability (including casualty, liability, fire, flood, business interruption, earthquake, workmen's compensation, and other material risks to its property and business), in such amounts and with such deductibles as is customary in the relevant industry and appropriate under the relevant circumstances (and, in each instance, as is reasonably acceptable to Administrative Agent). If any Borrower fails or refuses to obtain or maintain any such insurance coverage, then Administrative Agent (at its election) may (but is not obligated to) obtain and maintain such insurance coverage on behalf of such Borrower, and the premiums and other costs thereof (a) will be included in the indebtedness hereunder secured by the Collateral and (b) will be due and payable by such Borrower to Administrative Agent immediately upon demand. Each such policy for liability insurance must name Administrative Agent as loss payee, and each such other policy for insurance must name Administrative Agent as loss payee and as additional insured. Each such policy must also require the insurer to furnish Administrative Agent with written notice at least 25 calendar days prior to any termination, cancellation or lapse of coverage and must provide Administrative Agent with the right (but not the obligation) to cure any non-payment of premium. Upon Administrative Agent's request, each Borrower (from time to time) will furnish Administrative Agent with proof of such insurance (in form and substance acceptable to Administrative Agent) and a copy of the related policy.

4.8.2. Disaster Recovery and Contingency Program. Each Borrower will maintain (and at least annually review the sufficiency of) a disaster recovery and contingency plan that addresses each Borrower's plans for continuing operations upon the occurrence of a natural disaster or other event that destroys or prevents the use of or access to such Borrower's primary computer systems, information databases, software applications, business records and operations facility and/or such Borrower's switch sites and call centers. Such contingency plan at all times must be in form and substance reasonably acceptable to Administrative Agent. Upon request, each Borrower will provide Administrative Agent with a current copy of such plan.

4.9. Loan Purpose. Borrowers will use the proceeds of each Advance hereunder exclusively as set forth in Section 1.1.3.

4.10. Taxes. Each Borrower will pay and discharge all taxes, assessments or other governmental charges or levies imposed on it or any of its property or assets prior to the date upon which any penalty for non-payment or late payment is incurred, unless (a) the same are then being contested in good faith by appropriate proceedings diligently prosecuted, and (b) adequate reserves therefor acceptable to Administrative Agent have been established, and (c) Administrative Agent has been notified thereof in writing, and (d) the consequences of such non-payment (in Administrative Agent's reasonable judgment) will not have a Material Adverse Effect.

4.11. Management Changes. Borrowers will notify Administrative Agent in writing within thirty (30) calendar days after any change (including any dismissal or change in title or status) in the senior management personnel of any Borrower.

4.12. Litigation and Administrative Proceedings. Each Borrower will notify Administrative Agent in writing immediately upon the institution or commencement of any litigation, legal or administrative proceeding, or labor controversy (a) with a purported amount in controversy in excess of \$25,000, or (b) that could otherwise reasonably be expected to have or cause a Material Adverse Effect.

4.13. Monitoring Compliance; Occurrence of Certain Events. Each Borrower at all times will maintain (and comply with) commercially reasonable procedures and systems designed to monitor compliance and to detect instances of non-compliance with the Loan Documents. Each Borrower will notify Administrative Agent in writing immediately upon (a) the occurrence of any Default or Event of Default hereunder, or (b) the occurrence of any Default or Event of Default under any other Loan Document, or (c) the happening of any event or the assertion or threat of any claim that could reasonably be expected to have or cause a Material Adverse Effect.

4.14. Compliance with Laws. Each Borrower will comply in all material respects (a) with all material laws, rules, regulations and orders (federal, state, local and otherwise) applicable to its business, and (b) with the provisions and requirements of all Authorizations. Each Borrower will notify Administrative Agent immediately in detail of any actual or alleged material failure to comply with or violation of any such laws, rules, regulations or orders, or under the terms of any of such Authorizations, or of the occurrence or existence of any facts or circumstances that with the passage of time, the giving of notice or otherwise could create such a failure to comply or violation or could reasonably be expected to occasion the termination of any of such Authorization. Such "material" laws, rules, regulations and orders shall include, as applicable, (i) the Federal Communications Act and each State Communications Act and the rules, regulations, policies, procedures and orders of the FCC and each such State PUC, and (ii) the Environmental Control Statutes, and (iii) ERISA.

4.15. Further Actions.

4.15.1. Additional Collateral. Each Borrower will execute, deliver and record (or, as appropriate, cause the execution, delivery and recordation) at any time upon Administrative Agent's request and in form and substance reasonably satisfactory to Administrative Agent, any of the following instruments in favor of Administrative Agent as additional Collateral hereunder: (a) mortgages, deeds of trust and/or assignments on or of any real or personal property owned, leased or licensed by it, and (b) certificates of title encumbrances against any of its titled vehicles, and (c) any other like assignments or agreements specifically covering any of its properties or assets (including assignments of any patents, trademarks, copyrights, databases, trade secrets and other

forms of intellectual property and deposit account control agreements), and (d) any financing or continuation statements requested by Administrative Agent.

4.15.2. Further Assurances. From time to time, each Borrower will execute and deliver (or will cause to be executed and delivered) such supplements, amendments, modifications to and/or replacements of the Loan Documents and such further instruments as may be reasonably required to effectuate the intention of the parties to (or to otherwise facilitate the performance of) the Loan Documents.

4.15.3. Estoppel Certificates. Upon Administrative Agent's request, each Borrower will execute, acknowledge and deliver (or, as appropriate, cause the execution, acknowledgment and delivery) to such Persons as Administrative Agent may request a statement in writing certifying as follows (to the best of its knowledge, after diligent inquiry): (a) that the Loan Documents (as amended, if applicable) are unmodified and in full force and effect, and (b) that the payments under the Loan Documents required to be paid by Borrowers have been paid, and (c) the then unpaid principal balance of Facilities hereunder, and (d) whether or not any Default is then occurring under any of the Loan Documents and, if so, specifying each such Default of which the signer may have knowledge, and (e) whether or not any Borrower is then entitled to assert any claims, defenses or causes of action that would impose any liability upon Administrative Agent or any Lender or that would otherwise challenge the enforceability any Loan Document or any provision thereof (including, the existence of any so-called "Lender Liability" claims or defenses). Unless such Borrower otherwise consents (which consent will not be unreasonably withheld, delayed or conditioned), Administrative Agent must give such Borrower at least ten (10) Business Days to complete and deliver any such certificate. Each Borrower understands and agrees that any such certificate delivered pursuant to this Section may be relied upon by Administrative Agent, each Lender, and, if different, by the recipient thereof.

4.15.4. Waivers and Consents. At any time upon Administrative Agent's request, each Borrower will use its best efforts to obtain and deliver (in form and substance reasonably satisfactory to Administrative Agent) a waiver or consent to the assignment to Administrative Agent of any contract, lease, Authorization or other agreement to which it is a party.

4.15.5. Access and Audits. Administrative Agent and each Lender (from time to time at its discretion) may conduct audits of the Collateral and of the performance and operations of any Borrower. Each Borrower (upon Administrative Agent's request from time to time) will use its best efforts to provide Administrative Agent and each Lender (and their representatives and agents) with reasonable access to such Borrower's management personnel, books and records, property and operations (including its financial records), whether such property, books and records are in the possession of such Borrower or are in the possession of a third party (including the possession of such Borrower's Affiliates, accountants and legal counsel). In connection with any such audit, Administrative Agent and each Lender may also make notes and copies of (and extracts from) relevant records.

4.15.6. Attendance at Board of Directors Meetings. Any Lender (from time to time at its discretion and at its sole cost and expense) may attend any or all meetings of the board of directors of any Borrower (including the meetings of any committees or sub-committees thereof). Borrowers will provide each Lender with written notice thereof at least ten (10) Business Days prior to each such meeting and also will provide each Lender with a copy of all written communications,

minutes and materials distributed in connection therewith. Notwithstanding the foregoing, at the request of Borrowers, representatives of such Lenders will temporarily leave a meeting of the board of directors if such action is necessary to preserve the Borrowers' attorney-client privilege with respect to such meetings or the information disseminated therein.

4.16. Costs and Expenses. Borrowers will pay or reimburse Administrative Agent and each Lender for all fees and costs (including all reasonable attorneys' fees and disbursements and the reasonable fees and disbursements of in-house counsel and documentation personnel) that Administrative Agent or any Lender may pay or incur in connection with (a) the preparation, negotiation and review of the Loan Documents, any waivers, consents and amendments in connection herewith or therewith and all other documentation related hereto or thereto, and (b) the funding of the indebtedness or any Advance hereunder, and (c) the initial and continuing perfection or protection of Administrative Agent's or any Lender's interest in any of the Collateral, and (d) the collection or enforcement of any of the Loan Documents, and (e) the periodic examination and auditing of the Collateral and the books, records and operations of Borrowers, and (f) Administrative Agent's release of its interests in the Collateral in accordance with the terms of the Loan Documents. Borrowers will pay any and all recordation taxes or other fees due upon the filing of the financing statements or documents of similar effect required to be filed under the Loan Documents, and will provide Administrative Agent with a copy of any receipt or other evidence reflecting such payments. All obligations provided for in this Section shall survive the termination of this Agreement and/or the repayment of indebtedness hereunder.

4.17. Other Information. Each Borrower will provide Administrative Agent with any other documents and information (financial or otherwise) reasonably requested by Administrative Agent or its counsel from time to time.

4.18. Additional FCC and Other Regulatory Affirmative Covenants. Without limiting the generality of the foregoing affirmative covenants, each Borrower further covenants and agrees as follows:

4.18.1. Service Interruption. Each Borrower will notify Administrative Agent in writing within 36 hours after any period during which the transmission at any internet data center or call center owned or used by any Borrower is interrupted or curtailed for an aggregate of 24 hours or more (whether or not consecutive) during any period of 48 consecutive hours. Each Borrower will make every effort to restore such transmission as soon as possible to the level that was obtained prior to such interruption or curtailment.

4.18.2. Correspondence, Orders and Filings. Within 5 Business Days after mailing or receipt (as applicable), each Borrower will provide Administrative Agent with a copy of each significant or material correspondence, application or filing with, to or from the FCC or any State PUC. Within 5 Business Days after the release of any order of the FCC or any State PUC (a) designating or proposing to designate an application by any Borrower to the FCC or a State PUC for an evidentiary hearing, or designating or proposing to designate for an evidentiary hearing the possible non-renewal, revocation or modification of any License or Authorization issued to it by the FCC or a State PUC, or (b) imposing a fine, penalty or other forfeiture upon any Borrower, or (c) initiating any other enforcement action against any Borrower, or as soon as any Borrower ascertains that any such order will be forthcoming from the FCC or any State PUC, then such Borrower must

notify Administrative Agent of the same and, if any such order has been issued by the FCC or a State PUC, must provide a copy of such order to Administrative Agent.

4.19. Billing System Integration. On or before May 31, 2000 Borrowers shall fully integrate the billing systems for all Borrowers into one consolidated and comprehensive billing system. Borrowers shall provide Administrative Agent satisfactory evidence of compliance with this Section 4.19.

4.20. Post-Closing Items. [TBD]

ARTICLE 5: NEGATIVE COVENANTS

Each Borrower (jointly and severally) hereby covenants and agrees that, so long as any indebtedness remains outstanding hereunder, each Borrower will comply with the following negative covenants (unless Required Lenders through Administrative Agent otherwise consent in writing, which consent will not be unreasonably withheld while no Default is occurring):

5.1. Capital Expenditures. Borrowers (on a consolidated basis) will not incur Capital Expenditures in any fiscal year in excess of \$4,000,000.

5.2. Additional Indebtedness. No Borrower will borrow any monies or create, incur, assume or permit to exist any additional indebtedness, obligations or liabilities (including monitory obligations evidenced by a promissory note and monetary obligations under non-compete and consulting arrangements) except as follows (collectively, the "Permitted Indebtedness"):

a. Borrowings from Lenders hereunder; and

b. Trade indebtedness, if and to the extent (i) such indebtedness is incurred in the normal and ordinary course of business for value received and (ii) such indebtedness (to the extent it exceeds \$10,000 to any single vendor) is paid on a current basis or is less than 60 calendar days past due; and

c. Indebtedness and obligations incurred to **purchase fixed or capital assets**, consistent with the restrictions in Section 5.1 and Section 5.5, provided, however, that (1) the aggregate amount of such asset acquisition indebtedness outstanding at any time (together with the aggregate amount of Capital Lease indebtedness outstanding under Subsection 5.2.d) may not exceed \$2,000,000, and (2) such indebtedness must be immediately included in the calculation of Funded Debt, and (3) such fixed or capital assets being purchased may not constitute (a) customized application software or systems integration software, or (b) equity interests in or substantially all of the assets of another enterprise other than Permitted Investments, or (c) any other asset the loss of which could reasonably be expected to have or cause a Material Adverse Effect, and (4) if such asset acquisition indebtedness is secured, and if the agreement giving rise to such indebtedness is a Material Contract, Borrower shall have furnished Administrative Agent with an estoppel from the holder of the Lien in form and substance satisfactory to Lenders; and

d. Indebtedness and obligations incurred **under Capital Leases**, consistent with the restrictions in Section 5.1 and Section 5.5, provided, however, that (1) the aggregate amount of such

Capital Lease indebtedness outstanding at any time (together with the aggregate amount of asset acquisition indebtedness outstanding under Subsection 5.2.c) may not exceed \$2,000,000, and (2) such indebtedness must be immediately included in the calculation of Funded Debt, and (3) such fixed or capital assets being leased may not constitute (a) customized application software or systems integration software, or (b) any asset the loss of which could reasonably be expected to have or cause a Material Adverse Effect and (4) if the Capital Lease is a Material Contract, Borrower shall have furnished Administrative Agent with an estoppel from the lessor in form and substance satisfactory to Lenders; and

e. Indebtedness in favor of another Borrower if and to the extent permitted under Section 5.4(b); and

f. Subordinated Indebtedness if and to the extent permitted under Section 5.11; and

g. Such indebtedness listed on Schedule 5.2 with the prior written consent of Lenders through Administrative Agent (which consent will not be unreasonably withheld while no Default is occurring). Unless Lenders through Administrative Agent otherwise expressly consent in writing (or unless otherwise specified on Schedule 5.2), all indebtedness listed on Schedule 5.2 must be included in the calculation of Funded Debt.

5.3. Guaranties. No Borrower will guarantee, assume or otherwise be or agree to become liable in any way, either directly or indirectly, for any additional indebtedness or liability of any other Person, except as follows (collectively, the "Permitted Guaranties"): (a) in favor of Lenders or Administrative Agent, or (b) to endorse checks, drafts and negotiable instruments for collection in the ordinary course of business, or (c) as listed on Schedule 5.3 with the consent of Lenders, or (d) to the extent that Lenders through Administrative Agent otherwise consent in writing.

5.4. Loans. No Borrower will make any loans or advances to any other Person, except as follows (collectively, the "Permitted Loans"): (a) loans to employees that do not exceed \$5,000 to any individual employee and do not at any time in the aggregate outstanding exceed \$25,000 among all such loans to all such employees, and (b) as listed on Schedule 5.4 with the consent of Lenders through Administrative Agent, and (c) demand loans to other Borrowers that are appropriately reflected on each Borrower's financial records and evidenced by a written promissory note assigned to Administrative Agent as additional Collateral.

5.5. Liens and Encumbrances; Negative Pledge. No Borrower will create, permit or suffer the creation or existence of any Liens on any of its property or assets (real or personal, tangible or intangible), except as follows (collectively, the "Permitted Liens"):

a. Liens in favor of Administrative Agent as security for the Obligations under the Loan Documents; and

b. Liens arising in favor of sellers or lessors for indebtedness and obligations incurred to purchase or lease fixed or capital assets as permitted under Section 5.2.c or Section 5.2.d, provided, that (1) such Liens secure only the indebtedness and obligations created thereunder (but not any related monetary obligations under non-compete and consulting arrangements) and are limited to the assets purchased or leased pursuant thereto, and (2) such fixed or capital assets do not constitute (a) customized application software or systems integration software, or (b) equity interests

in or substantially all of the assets of another enterprise, or (c) any other asset the loss of which could reasonably be expected to have or cause a Material Adverse Effect, and, (3) if the agreement giving rise to such Lien constitutes a Material Contract, Borrower shall have furnished Administrative Agent with an estoppel from the holder of such Lien in form and substance satisfactory to Lenders; and

c. Liens for taxes, assessments or other governmental charges (federal, state or local) that are not yet delinquent or that are then being currently contested in good faith by appropriate proceedings diligently prosecuted, provided, however, that (1) the existence of such Liens and challenge of such charges must have been fully disclosed to Administrative Agent, and (2) adequate reserves therefor in accordance with GAAP must have been established, and (3) such Liens (in Administrative Agent's reasonable opinion) could not reasonably be expected to have or cause a Material Adverse Effect; and

d. Deposits in the ordinary course of business to secure obligations under workmen's compensation, unemployment insurance or social security laws or similar legislation; and

e. Deposits to secure performance or payment bonds, bids, tenders, contracts, leases, franchises or public and statutory obligations required in the ordinary course of business; and

f. Deposits to secure surety, appeal or custom bonds required in the ordinary course of business; and

g. Liens of carriers, warehousemen, mechanics, materialmen and landlords incurred in the ordinary course of business for sums not past due or for sums being currently contested in good faith by appropriate proceedings diligently prosecuted, provided, however, that (1) the existence of such Liens and challenge of such sums allegedly due must have been fully disclosed to Administrative Agent, and (2) adequate reserves therefor in accordance with GAAP must have been established, and (3) such Liens (in Administrative Agent's reasonable opinion) could not reasonably be expected to have or cause a Material Adverse Effect; and

h. Easements, rights-of-way, restrictions and other similar encumbrances on real property of a Borrower that, independently and in the aggregate, do not (1) materially interfere with the occupation, use or enjoyment by such Borrower of the property or assets encumbered thereby in the normal course of business or (2) materially impair the value of the property subject thereto; and

i. Liens listed on Schedule 5.5 with the consent of Required Lenders through Administrative Agent (which consent will not be unreasonably withheld while no Default is occurring).

No Borrower will similarly covenant to or in favor of any other Person that it will not create, permit or suffer the creation or existence of any Liens on any of its property or assets. In addition, no Borrower will purchase or otherwise acquire any additional assets (including any leasehold interest therefor) unless Administrative Agent's interest in such property either (a) is already covered and perfected pursuant to an existing and effective UCC-1 financing statement, fixture filing, mortgage and/or leasehold mortgage (as appropriate) in favor of Administrative Agent or (b) otherwise becomes properly perfected within 5 calendar days after any such acquisition by such Borrower's filing (at its expense) all necessary UCC-1 financing statements, fixture filings, mortgages and/or

leasehold mortgages (as appropriate, and in form and substance reasonably acceptable to Administrative Agent). Moreover, no Borrower will establish or maintain any "securities account" with any "securities intermediary" (as such terms are defined in Article 8 of the UCC) except as permitted under Section 5.7.

5.6. Transfer of Assets. No Borrower will sell, lease, license, transfer or otherwise dispose of all or substantially all of its assets. In addition, no Borrower will sell, lease, license, transfer or otherwise dispose of any of its assets other than as follows (collectively, the "Permitted Transfers"): (a) pursuant to a transaction with an unrelated third party in the normal and ordinary course of business for value received and otherwise in accordance with the terms hereof (including Section 1.1.6.5.c) provided that proceeds received by the Borrower for such transactions shall, singly or in the aggregate, be less than \$100,000, or (b) with respect to obsolete or replaced equipment no longer useful in the operation of any Borrower's business, pursuant to a reasonable and customary transaction with an unrelated third party and otherwise in accordance with the terms hereof, and (c) pursuant to a reasonable and customary transaction with another Borrower that is appropriately reflected on each Borrower's financial records.

5.7. Acquisitions and Investments. No Borrower will purchase or otherwise acquire (including by way of share exchange) any part or amount of the equity ownership or assets of, or make any investments in, any other corporation, partnership, limited liability company or other venture or enterprise. Notwithstanding the foregoing, Borrowers may acquire or invest in the following (collectively, the "Permitted Investments"):

a. Government and agency securities backed by the full faith and credit of the U.S. federal government; and

b. Commercial paper of a U.S. domestic issuer rated A-1+ or A-1 by Standard & Poor's Ratings Group or P-1 by Moody's Investor Services, Inc. and maturing not more than 90 calendar days from the date of acquisition thereof; and

c. Certificates of deposit (maturing within 12 calendar months after the date of issuance), time deposits, other deposits and bankers' acceptances issued by or established with U.S. federally insured commercial banks rated as "well capitalized" by their primary federal regulators, and having unimpaired capital and unimpaired surplus (collectively) of at least \$250 million, and whose commercial paper (or commercial paper that is supported by such bank's letter of credit or commitment to lend) is rated as A-1+ or A-1 by Standard & Poor's Ratings Group or P-1 by Moody's Investor Services, Inc.; and

d. Assets acquired pursuant to transactions permitted under Section 5.1 or Section 5.2; and

e. Inventory sold in the ordinary course of business for value received; and

f. Equity interests in other Borrowers; and

g. Investments listed on Schedule 5.7 with the consent of Required Lenders through Administrative Agent (which consent will not be unreasonably withheld while no Default is occurring).

No Borrower will establish or maintain any "securities account" with any "securities intermediary" (as such terms are defined in Article 8 of the UCC), unless a control agreement acceptable in form and substance to Administrative Agent is first executed by such "securities intermediary" securing Administrative Agent's first priority interest and rights in and to all "financial assets" and "security entitlements" associated with such "securities account."

5.8. New Ventures; Mergers. No Borrower will (a) enter into any new business activities or ventures not directly related to its current business, or (b) merge or consolidate with or into any other corporation, partnership, limited liability company or other organization, or (c) create or acquire (or cause or permit the creation or acquisition of) any Subsidiary or Affiliate (except the hiring of officers and directors). Notwithstanding the foregoing, Borrowers may create or acquire (or cause or permit the creation or acquisition of) one or more wholly-owned Subsidiaries provided that (1) each such Subsidiary (at Required Lenders' sole discretion) becomes a "Borrower," "Guarantor" and/or "Obligor" under the Loan Documents, and (2) a first priority security interest in and pledge of 100% of the assets and equity of each such Subsidiary is perfected in favor of Administrative Agent as additional Collateral under the Loan Documents (except as otherwise permitted under Section 5.5).

5.9. Transactions with Affiliates. No Borrower will enter into any transaction or agreement with any Subsidiary, Affiliate or other related enterprise except as follows: (a) reasonable and customary compensation arrangements in the ordinary course of business with its officers and directors, and (b) guaranties (if any) to the extent permitted by Section 5.3, and (c) employee loans (if any) to the extent permitted under Section 5.4, and (d) reasonable and customary asset transfers among Borrowers (if any) to the extent permitted under Section 5.6, and (e) reasonable dividends and distributions (if any) to the extent permitted by Section 5.10, and (f) reasonable and customary management fees (if any) to the extent permitted under Section 5.12, and (g) transactions in the ordinary course of business between Borrowers.

5.10. Distributions or Dividends. No Borrower will declare or make (directly or indirectly) any payment or distribution with respect to, or incur any liability for the purchase, acquisition, redemption or retirement of, any of its equity interests (including warrants therefor) or as a dividend, return of capital or other payment or distribution of any kind to any holder of any such equity interest. Notwithstanding the foregoing, so long as no Default then exists under the Loan Documents or would otherwise be caused by the payment of such dividend, then any Borrower may declare and distribute reasonable and lawful dividends to any of its owners that are also a Borrower. Notwithstanding the foregoing, BiznessOnline will make all payments and distributions to the Lenders entitled thereto required under Section 1.7.1.2 or under or in connection with the Warrant Agreement, the Warrants and/or any related warrant shares.

5.11. Payment of Subordinated Indebtedness. No Borrower will incur or make any payments on Subordinated Indebtedness except as subsequently permitted by this Section or by a separate intercreditor or subordination agreement executed between such other creditor and Administrative Agent. Notwithstanding the foregoing, if any Subordinated Indebtedness is subsequently authorized by Lenders and if any Default occurs under the Loan Documents, then no Borrower will make any further payments in connection with its Subordinated Indebtedness unless and until such Default has been waived or cured to Administrative Agent's and Lenders' satisfaction.

5.12. Payment of Management Fees and Other Compensation. No Borrower will pay any funds or otherwise incur or accrue any liabilities for any management or related services except (a) reasonable and customary compensation to bona fide resident employees of such Borrower and (b) as otherwise permitted by this Section.

5.13. Issuance of Additional Equity. No Borrower other than BiznessOnline will permit the issuance, reissuance, conversion or exercise of any equity interests (common stock, preferred stock, partnership interests, member interests or otherwise) or any options, warrants, convertible securities or other rights to purchase such beneficial or equity interest. Notwithstanding the foregoing, a Borrower may issue additional equity interests provided that: (a) such Borrower has provided written notice thereof to Administrative Agent at least 15 Business Days prior to such issuance (which notice must at least describe the type and amount of equity interests being purchased, the consideration to be received by such Borrower in exchange for such issuance, and the identity of the purchaser), and (b) such equity interests are pledged to Administrative Agent (with a first lien priority) as additional Collateral hereunder at the time of issuance thereof using documentation that is in form and substance reasonably acceptable to Administrative Agent, and (c) the proceeds thereof are utilized in a manner in compliance with Section 1.1.6.5.c, and (d) no Default or Event of Default then exists under the Loan Documents or would otherwise result from the issuance of such equity interest (including a Default under the change in control restrictions set forth in Section 7.1.8).

5.14. Removal of Assets. No Borrower will remove or permit the removal of any asset or group of assets (with a collective fair market value exceeding \$10,000) to a jurisdiction or a county in which no financing statement on Form UCC-1 has been filed naming Administrative Agent as "secured party" with respect to such assets. Notwithstanding the foregoing, a Borrower may remove the following types of assets under the following conditions: (a) temporary removal of equipment for repair or replacement provided that Administrative Agent has received prior written notice thereof indicating the type of equipment, its approximate fair market value, the destination location and an estimate of the length of time that such equipment will be removed from the relevant jurisdiction, and (b) booths, displays, marketing materials and related accompanying equipment of a Borrower being used temporarily in connection with marketing such Borrower's business at trade shows or otherwise (provided that the aggregate fair market value thereof does not exceed \$25,000), and (c) portable computers and related accompanying equipment being used by the officers, employees and independent representatives of a Borrower in connection with accomplishing such Borrower's business activities at home offices or otherwise (provided that the aggregate fair market value thereof does not exceed \$25,000). Moreover, no Borrower will move the location of its chief executive office (or change its official mailing address) without providing Administrative Agent with prior written notice thereof.

5.15. Modifications to Organic Documents. No Borrower will (a) amend or otherwise modify any of its Organic Documents, or (b) change its official name, its operating names or the names under which it executes contracts and conducts business.

5.16. Terms of and Modifications to Material Relationships. No Borrower will (and will not permit any other party to) cancel, terminate, amend, modify or otherwise alter (a) any Subordinated Indebtedness, or (b) any agreement regarding the provision of management services to any Borrower, or (c) any Material Contract listed (or contract that should be listed) on Schedule 3.8. In addition, each Borrower will use commercially reasonable efforts to ensure that no Material

Contract entered into by any Borrower after the Closing Date (including the renewal or extension of any Material Contract existing as of the Closing Date) will restrict any Borrower's ability to collaterally assign or encumber such Material Contract in favor of Administrative Agent.

5.17. Margin Stock Restrictions; Other Federal Statutes. No Borrower will use any of the proceeds hereunder, directly or indirectly, to purchase or carry, or to reduce or retire any indebtedness that was originally incurred to purchase or carry, any Margin Stock or for any other purpose that might constitute the transactions contemplated hereby as a "Purpose Credit" within the meaning of the FRB's Margin Regulations. In addition, no Borrower will engage as its principal business in the extension of credit for purchasing or carrying Margin Stock. No Borrower will cause or permit any Loan Document to violate any other regulation of the FRB or the SEC or any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940 or the Small Business Investment Act of 1958, each as amended, or any rules or regulations promulgated under any of such statutes.

5.18. Holding Company Structure. BiznessOnline shall not conduct any business operations (other than as a holding company of the other Borrowers). BiznessOnline shall not own, hold or lease any operating assets.

ARTICLE 6: ADDITIONAL COLLATERAL AND RIGHT OF SET OFF

6.1. Additional Collateral. As additional collateral for the payment of any and all indebtedness and obligations of each Borrower to Administrative Agent or any Lender (whether matured or unmatured, and whether now existing or hereafter incurred or created hereunder or otherwise), each Borrower hereby grants Administrative Agent and each Lender a security interest in and a lien upon all funds, balances and other property of any kind of such Borrower, or in which such Borrower has any interest (limited to the interest of such Borrower therein), now or hereafter in the possession, custody or control of Administrative Agent or such Lender or any Affiliate of Administrative Agent or such Lender.

6.2. Right of Set-Off. Administrative Agent and each Lender are hereby authorized at any time and from time to time during the existence of an Event of Default hereunder (unless expressly prohibited by applicable law) to set-off and apply any and all deposits (general or special, time or demand, provisional or final) and other indebtedness at any time held or owing by Administrative Agent or any Lender (or any of their Affiliates) to or for the credit or the account of any Borrower against any and all of the indebtedness and monetary obligations of any Borrower now or hereafter existing under the Loan Documents or any other evidence of indebtedness originated, acquired or otherwise held by Administrative Agent or any Lender, irrespective of whether Administrative Agent or such Lender shall have made any demand under the Loan Documents or other indebtedness and although such obligations may be unmatured. Administrative Agent or such Lender agrees to notify Borrowers within a commercially reasonable time after any such set-off and application made by Administrative Agent or such Lender; provided, however, that the failure to give such notice shall not in any way affect the validity of such set-off and application.

6.3. Additional Rights. The rights of Administrative Agent and each Lender under this Article 6 are in addition to the other rights and remedies (including other rights of set-off) that Administrative Agent and Lenders may have by contract, at law, or otherwise.

ARTICLE 7: DEFAULT AND REMEDIES

7.1. Events of Default. Each of the following events separately constitutes an independent Event of Default hereunder:

7.1.1. Payment Obligations. If any payment of principal, interest, fees, expenses, indemnities or other sums payable to Administrative Agent or any Lender under any Loan Document (including under any Note) is not received by Administrative Agent in immediately available funds on the date such payment is due and payable and such failure to receive payment in immediately available funds continues for a period of five (5) Business Days after the due date therefor.

7.1.2. Representations and Warranties. If any representation, warranty or other statement made in any Loan Document, or in any written report, schedule, exhibit, certificate, agreement, or other document given by or on behalf of any Borrower or any other Obligor (or otherwise furnished in connection herewith) when made was misleading or incorrect in any material respect.

7.1.3. Financial Covenants. If Borrowers default in or fail to observe at any time any of the covenants set forth in Section 4.1.

7.1.4. Other Covenants in Loan Documents. If any Borrower or any other Obligor defaults in the full and timely performance when due of any other covenant or agreement contained in any Loan Document (or in any other document or agreement now or hereafter executed or delivered in connection herewith), and such default remains uncured for a period of ten (10) Business Days after the earlier of the date that Administrative Agent or any Lender notifies any Borrower thereof or the date that any Borrower otherwise acquires knowledge or should have acquired knowledge thereof.

7.1.5. Default Under Other Agreements with Administrative Agent or Lenders. If any event of default (as described or defined therein, which term shall include any notice and cure periods provided therein) occurs or exists under the provisions of any other credit agreement, security agreement, mortgage, deed of trust, indenture, debenture, cash management or account agreement, contract, lease or other agreement between any Borrower, any Affiliate of any Borrower or any other Obligor and Administrative Agent or any Lender (or any Affiliate of Administrative Agent or any Lender), unless such default is waived by Administrative Agent or such Lender or cured to Administrative Agent's or such Lender's satisfaction.

7.1.6. Default Under Material Agreements with Other Parties. (a) If any Borrower fails or refuses to make any required payment (whether principal, interest or otherwise) with respect to any Funded Debt (or with respect to any guaranty or reimbursement obligation of any such indebtedness) prior to the expiration of any applicable grace period with respect to such payment, or (b) if any such indebtedness for borrowed money is accelerated prior to its express maturity as a

result of any default thereunder, or (c) if any event of default (as described or defined therein, which term shall include any notice and cure periods provided therein) occurs or exists under the provisions of any Material Contract listed on Schedule 3.8 (or a contract that should be listed on Schedule 3.8 under the terms hereof).

7.1.7. Security Interest. If the security interest or lien in any of the Collateral (with a fair market value exceeding collectively \$25,000), other than Collateral consisting of equity ownership interest in Borrowers or in subsidiaries or other securities of Borrowers (for which there is no permissible threshold for non-compliance), at any time does not constitute a legal, valid and enforceable security interest or lien in favor of Administrative Agent.

7.1.8. Change of Control.

a. If there occurs any direct or indirect change in the ownership (i.e. any change exceeding 25% of the voting or beneficial interest for such structure as of the Closing Date) or in the control of BiznessOnline.

b. If BiznessOnline ceases to own and control 100% of each class of securities of each other Borrower.

c. If Mark Munro ceases to hold a senior management position with active involvement in the management and operations of each Borrower, unless (1) such event is by reason of his or her death or disability and (2) replacement management arrangements satisfactory to Required Lenders (in their sole and absolute discretion) are made within 60 calendar days after such death or within 120 calendar days after the commencement of such period of disability.

7.1.9. Government Action.

a. If custody or control of any substantial part of the property of any Borrower is assumed by any governmental agency or any court of competent jurisdiction at the instance of any governmental agency.

b. If any governmental regulatory authority or judicial body makes any other final non-appealable determination that (in Required Lenders' reasonable judgment) could reasonably be expected to have or cause a Material Adverse Effect.

7.1.10. Insolvency. If any Borrower or any holder of equity interests of any Borrower other than BiznessOnline (whether as common stock, preferred stock, partnership interest, membership interest or otherwise) (a) becomes insolvent, bankrupt or generally fails to pay its, his or her debts as such debts become due; or (b) is adjudicated insolvent or bankrupt in any proceeding; or (c) admits in writing an inability to pay its, his or her debts; or (d) comes under the authority of a custodian, receiver or trustee (or one is appointed for substantially all of its, his or her property); or (e) makes an assignment for the benefit of creditors; or (f) has commenced against it, him or her any proceedings under any law related to bankruptcy, insolvency, liquidation, dissolution or the reorganization, readjustment or release of debtors that is either not contested or if contested is not dismissed or stayed within thirty (30) calendar days after the commencement thereof; or (g) commences or institutes any proceedings under any law related to bankruptcy, insolvency, liquidation, dissolution or the reorganization, readjustment or release of debtors; or (h) calls a

meeting of creditors with a view to arranging a composition or adjustment of debt; or (i) by any act or failure to act that indicates consent to, approval of or acquiescence in any of the foregoing.

7.1.11. Additional Liabilities. If any judgment, writ, warrant, attachment or execution or similar process that calls for payment or presents liability in excess of \$100,000 is rendered, issued or levied against any Borrower or any of its properties or assets and such liability is not paid, waived, stayed, vacated, discharged, settled, satisfied or fully bonded within thirty (30) calendar days after it is rendered, issued or levied.

7.1.12. Business Interruption. If the operations of any internet backbone connection used, owned or controlled by any Borrower is interrupted or curtailed at any time for a period in excess of 48 hours (whether or not consecutive) during any period of 10 consecutive calendar days.

7.1.13. FCC and Other Regulatory-Action Defaults. In addition to the events described in Section 7.1.9, (a) if any Official Body designates for an evidentiary hearing any applications of any Borrower (or any Affiliate thereof) requesting any Authorization from such Official Body, any Tariff of any Borrower, or any complaint, petition or motion of any third party affecting any requested or then-existing Authorization of any Borrower and Required Lenders reasonably believe that the result thereof could be the termination, revocation, suspension, non-renewal or material (and adverse) modification of any material Authorization held by any Borrower, or (b) if any Official Body terminates, revokes or substantially and adversely modifies any material Authorization of any Borrower (or any Affiliate thereof), or (c) if any Official Body commences an action or proceeding seeking the termination, suspension, revocation, non-renewal or substantial and adverse modification of any material Authorization, or (d) if any material Authorization expires by its terms and is not renewed in a timely manner, or any material agreement which is necessary to the operation of any broadcast facility, transmission site or switch facility expires or is revoked or terminated and is not replaced by a comparable substitute or a substitute reasonably acceptable to Required Lenders. For purposes of this Section 7.1.13, a "material" Authorization is (1) any License or other Authorization issued by the FCC or any State PUC, and (2) any other License or other Authorization (alone or in conjunction with other Licenses and Authorizations then subject to any of the circumstances described in this Section) the loss of which (in Required Lenders' reasonable judgment) could reasonably be expected to have or cause a Material Adverse Effect.

7.1.14. Material Adverse Change. If Required Lenders determine in good faith that a Material Adverse Change has occurred with respect to any Borrower from the condition set forth in the financial statements furnished to Administrative Agent and each Lender for the fiscal year ended immediately prior to the Closing Date, or from the condition of any Borrower most recently disclosed to Administrative Agent or any Lender in any other manner.

7.2. Remedies.

7.2.1. Acceleration, Termination and Pursuit of Collateral. At any time during the existence of any Event of Default, at the election of Required Lenders but with notice thereof to a Borrower (unless an Event of Default described in Section 7.1.10 has occurred, in which case acceleration will occur automatically with respect to the entire indebtedness and without any notice), then Lenders (a) may terminate any or all Commitments and/or Facilities, and/or (b) may accelerate the Term Loan Maturity Date, and/or (c) may declare all or any portion of the indebtedness of any or all Borrowers to Lenders (hereunder or otherwise, and including all principal, interest, fees, expenses

and indemnities hereunder) to be immediately due and payable. At any time during the existence of any Event of Default, Lenders and Administrative Agent will also have the immediate right to enforce and realize upon any collateral security granted under any Loan Document in any manner or order that Required Lenders or Administrative Agent (at the direction of Required Lenders) deems expedient without regard to any equitable principles of marshaling or otherwise.

7.2.2. Other Remedies. In addition to the rights and remedies expressly granted in the Loan Documents, each Lender and Administrative Agent also will have all other legal and equitable rights and remedies granted by or available under all applicable law (including the "self help" and other rights of a secured party under the UCC), and all rights and remedies will be cumulative in nature.

7.2.3. Special Regulatory-Related Remedies.

a. Each Borrower and Administrative Agent hereby acknowledge their intent that, during the existence of an Event of Default, to the fullest extent permitted by applicable law and governmental policy (including the rules, regulations and policies of the FCC and each State PUC), Administrative Agent will have all rights necessary or desirable to obtain, use and/or sell the assets and operations of each Borrower and the other Collateral, and to exercise all remedies available to Administrative Agent and each Lender under the Loan Documents, the Uniform Commercial Code or other applicable law. Each Borrower and Administrative Agent agree that, if any applicable law or governmental policy changes subsequent to the date hereof that affects in any manner Administrative Agent's rights of access to, or use or sale of, any Borrower's assets or other Collateral (including Authorizations) or the procedures necessary to enable Administrative Agent to obtain such rights of access, use or sale during an Event of Default, then Administrative Agent and each Borrower will amend the Loan Documents (in such manner as Administrative Agent reasonably requests) in order to provide Administrative Agent with all such rights to the greatest extent possible consistent with then-applicable law and governmental policy.

b. Each Borrower hereby agrees (during the existence of a Default) to take any actions that Administrative Agent may reasonably request in order to enable Administrative Agent to receive the full rights and benefits granted to Administrative Agent and each Lender by the Loan Documents. Without limiting the generality of the foregoing, at any time during the existence of an Event of Default, at the cost and expense of Borrowers (jointly and severally), each Borrower will use its best efforts to assist and cooperate in obtaining all approvals (including all FCC and State PUC approvals) which are then required by applicable law or contract for or in connection with any action or transaction contemplated by the Loan Documents or the Uniform Commercial Code. Each Borrower further agrees, upon Administrative Agent's request and at the expense of Borrowers (jointly and severally), at any time during the existence of an Event of Default, to prepare, sign, file and diligently prosecute (and to use its best efforts to cause the preparation, execution, filing and diligent prosecution by others) with the FCC the assignor's or transferor's portion of any applications for consent to the assignment of Authorizations or transfer of control thereof necessary or appropriate under the rules of each Official Body for approval of any sale or transfer of any Collateral or any Authorization pursuant to the exercise of Administrative Agent's and Lenders' remedies under the Loan Documents. Each Borrower further agrees that, during the existence of a Default, each Borrower will assist and cooperate with Administrative Agent and each Lender (and will use its best efforts to cause others to assist and cooperate with Administrative Agent and each

Lender) to ensure that each Borrower continues (a) to operate in the normal course of business, and (b) to fulfill all of its legal, regulatory and contractual obligations, and (c) to otherwise be properly and professionally managed. At Administrative Agent's request and the expense of Borrowers (jointly and severally), at any time during the existence of an Event of Default, such assistance and cooperation may include the employment of (and, to the maximum extent not prohibited by the rules, regulations and orders of the FCC, delegation of appropriate management authority to) one or more qualified and independent consultants and professional managers acceptable to Administrative Agent to assist in the interim operations of Borrowers; all of which each Borrower hereby agrees not to challenge. Each Borrower further consents to (and agrees that it will not challenge), at any time during the existence of an Event of Default, the transfer of control or assignment of Authorizations and other assets to a receiver, trustee, transferee, or similar official or to any purchaser of the Collateral pursuant to any public or private sale, judicial sale, foreclosure or exercise of other remedies available to Administrative Agent or any Lender as permitted by applicable law.

c. Notwithstanding anything to the contrary contained in any Loan Document, neither Administrative Agent nor any Lender nor any Borrower will take any action pursuant to the Loan Documents that would constitute or result in any assignment of an Authorization or any transfer of control of any Borrower if such assignment of Authorization or transfer of control would require under then existing law (including the written rules and regulations promulgated by the FCC) the prior approval of the FCC or any State PUC, unless such approval has been obtained (as applicable) from such State PUC (to the extent failure to obtain such approval by Administrative Agent could reasonably be expected to have or cause a Material Adverse Effect) or from the FCC. Without limiting the generality of the foregoing, Administrative Agent and each Lender each specifically agrees that (a) voting rights with respect to the pledged equity interests of each Borrower will remain with the holders of such voting rights during the existence of an Event of Default unless and until any required prior approvals to the transfer of such voting rights have been obtained (as applicable) from such State PUC (to the extent failure to obtain such approval by Administrative Agent could reasonably be expected to have or cause a Material Adverse Effect) or from the FCC, and (b) during the existence of any Event of Default and foreclosure upon the Collateral by Administrative Agent, there will be either a private or public sale of the Collateral, and (c) prior to the exercise of voting rights by the purchaser at any such sale, any consent of any State PUC or the FCC required pursuant to any State Communications Act (to the extent failure to obtain such consent could reasonably be expected to have or cause a Material Adverse Effect) or the Federal Communications Act (respectively) will be obtained.

ARTICLE 8: ADMINISTRATIVE AGENT AND RELATIONSHIP AMONG LENDERS

8.1. Appointment, Authorization and Grant of Authority. Each Lender hereby irrevocably designates and appoints MCG as the Administrative Agent of such Lender to act as specified in this Agreement and the other Loan Documents, and each such Lender hereby irrevocably authorizes MCG (in its capacity as Administrative Agent) to take actions on behalf of such Lender, to exercise such powers and to perform such other duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Loan Documents, together with all such other powers and authority as are reasonably incidental thereto. Without limiting the generality of the foregoing, the Administrative Agent (on behalf of each Lender) is authorized (a) to execute each Loan Document (other than this Agreement, but including, without limitation, all financing statements,

continuation statements and other collateral agreements and documents) for and on behalf of each Lender, and (b) to accept each Loan Document and all other agreements, documents, instruments, certificates and opinions reasonably required to implement the intent of the parties to this Agreement, and (c) to file and record all financing statements, continuation statements and other collateral agreements and documents, and (d) to receive and deliver communications and notifications to Lenders and to Borrowers, and (e) to receive and distribute payments and Advances between Lenders and Borrowers. The duties and responsibilities of the Administrative Agent shall be ministerial and administrative in nature. Notwithstanding any provision to the contrary in any Loan Document, the Administrative Agent (a) shall not have any duties or responsibilities other than those expressly set forth in the Loan Documents (which duties and responsibilities shall be subject to the limitations and qualifications set forth in this Article), and (b) shall not have any fiduciary relationship with any Lender; and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into the Loan Documents or otherwise exist against the Administrative Agent.

8.2. Acceptance of Appointment. MCG hereby accepts such appointment and agrees to act as such Administrative Agent upon the express terms and conditions (but subject to the limitations and qualifications) set forth in this Article.

8.3. Administrative Agent's Relationship with Borrowers. The provisions of this Article are solely for the benefit of the Administrative Agent and Lenders, and no Borrower shall have any rights as a third party beneficiary (or otherwise) under this Article. In performing its functions and duties under the Loan Documents, the Administrative Agent shall act solely as an agent of the Lenders, and the Administrative Agent does not assume (and shall not be deemed to have assumed) any obligation or relationship of agency or trust with or for any Borrower.

8.4. Non-Reliance on Administrative Agent and Other Lenders. Each Lender expressly acknowledges and agrees (a) that the Administrative Agent (and its directors, officers, employees, agents, attorneys-in-fact and Affiliates) have not made any representations or warranties to such Lender and (b) that no act by the Administrative Agent hereinafter taken (including, without limitation, any review of the affairs of any Borrower or other Obligor) shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it (independently and without any reliance upon the Administrative Agent or any other Lender, and based upon such documents and information as it has deemed necessary or appropriate) has made its own appraisal, investigation and credit analysis of the business, assets, operations, properties, financial and other condition, prospects and creditworthiness of each Borrower and each other Obligor and has made its own decision to make its Loans hereunder and to enter into this Agreement. Each Lender also covenants and represents that it (independently and without any reliance upon the Administrative Agent or any other Lender, and based upon such documents and information as it shall deem necessary or appropriate) will continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement, and will continue to make such investigations as it deems necessary or appropriate to inform itself as to the business, assets, operations, properties, financial and other condition, prospects and creditworthiness of each Borrower and each other Obligor. Except as otherwise expressly provided in the Loan Documents, the Administrative Agent shall not have any duty or responsibility (a) to keep any Lender informed as to the performance or observance by any Borrower or any other Obligor of its obligations under the Loan Documents, or (b) to inspect the books or properties of any Borrower or

any other Obligor, or (c) to provide any Lender with any credit or other information concerning the business, operations, assets, properties, financial and other condition, prospects or creditworthiness of any Borrower or any other Obligor which may come into the possession of the Administrative Agent (or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates). The Administrative Agent will make reasonable efforts to furnish to the Lenders material information concerning Borrowers of which the Administrative Agent has actual knowledge; however, in the absence of gross negligence, willful misconduct or fraud, the Administrative Agent shall not be liable to any Lender for any failure to relay or furnish to such Lender any such information.

8.5. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely and act (and shall be fully protected in relying and acting) upon any note, writing, resolution, instrument, report, notice, consent, certificate, affidavit, letter, request, electronic transmission or any other message, statement, instruction, notice, order or other writing, conversation or communication believed by Administrative Agent in good faith to be genuine and correct and to have been signed, sent or made by the proper Person. The Administrative Agent shall not be bound to ascertain or inquire as to the satisfaction, performance or observance of any of the terms, provisions, covenants or conditions of or the accuracy of any statements or representations in any Loan Document by any Borrower or any other Obligor. The Administrative Agent may deem and treat the stated payee of any Note as the holder thereof for all purposes under the Loan Documents unless and until Administrative Agent has received and accepted an assignment and assumption agreement relating thereto in form and substance acceptable to the Administrative Agent.

8.6. Delegation of Duties; Additional Reliance by Administrative Agent. The Administrative Agent may consult with, employ and perform any of its duties under the Loan Document by or through agents, attorneys-in-fact, legal counsel, independent public accountants and other experts. The Administrative Agent shall not be responsible for the negligence or misconduct of any such Persons selected by Administrative Agent with reasonable care, and the Administrative Agent shall be fully protected in any action or inaction taken by it in good faith in reliance upon or in accordance with the advice or statements of legal counsel (including, without limitation, counsel to Borrowers), independent accountants and other experts selected by Administrative Agent.

8.7. Acting on Instructions of Lenders. The Administrative Agent shall be entitled to act or refrain from acting (and shall be fully protected in acting or refraining from acting) under the Loan Documents in accordance with a written request of or written instructions from the Required Lenders. The Administrative Agent shall also be entitled to refrain from acting (and shall be fully protected in refraining from acting) under the Loan Documents unless Administrative Agent first (a) receives such advice or concurrence of the Required Lenders as Administrative Agent deems appropriate or (b) is indemnified to its satisfaction by the Lenders against any and all liability and expense which it may incur by reason of taking or continuing to take any such action. Except as otherwise expressly stated in the Loan Documents, any requests or instructions by the Required Lenders (and any action or inaction by Administrative Agent pursuant thereto) shall be binding upon all the Lenders.

8.8. Actions Upon Occurrence of Default or Event of Default. Each Lender will use its best efforts to notify the Administrative Agent immediately in writing upon becoming aware of the occurrence of any Default or Event of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the

Administrative Agent has received notice from a Lender or a Borrower referring to this Agreement, describing such Default or Event of Default, and stating that such notice is a "notice of default". If the Administrative Agent receives any such notice of default, then the Administrative Agent shall use its best efforts to give notice thereof to each Lender as soon as reasonably practical. Upon the occurrence of any Default or Event of Default, the Lenders shall promptly consult with one another in an attempt to agree upon a mutually acceptable course of conduct. In the absence of unanimous agreement among the Lenders as to the appropriate course of conduct, the Administrative Agent shall exercise rights and take such other action on behalf of all Lenders with respect to such Default or Event of Default as directed by the Required Lenders. Unless and until the Administrative Agent shall have received such directions from the Lenders (or, as applicable, the Required Lenders), the Administrative Agent may take (but shall not be obligated to take) such action (or may refrain from taking such action) with respect to such Default or Event of Default as Administrative Agent shall deem advisable in the best interest of the Lenders.

8.9. Administrative Agent's Rights as Lender in Individual Capacity. The Administrative Agent (and its Affiliates) may make loans to, may have cash management agreements with, may accept deposits from, may issue letter of credit on behalf of, and may otherwise generally engage (and continue to engage) in any kind of business with any Borrower or other Obligor as though the Administrative Agent were not the Administrative Agent under the Loan Documents. With respect to any Loans made by Administrative Agent as a Lender hereunder and all obligations owing to it as a Lender under the Loan Documents, the Administrative Agent shall have the same rights, powers, duties and obligations under the Loan Documents as any other Lender and may exercise such rights, powers, duties and obligations as though it were not the Administrative Agent hereunder. To the extent that the Administrative Agent is a Lender hereunder, the terms "Lender", "Lenders" and "Required Lenders" shall include the Administrative Agent in its individual capacity.

8.10. Advances By Administrative Agent. Unless the Administrative Agent has been notified in writing by a Lender prior to the Settlement Date for any Advance or Loan that such Lender will not make the amount constituting its Pro Rata share of such Advance or Loan available to the Administrative Agent on or prior to such applicable Settlement Date, then the Administrative Agent may assume (but shall not be required to assume) that such Lender will make such amount available to the Administrative Agent in immediately available funds on or before such Settlement Date, and in reliance upon such assumption, the Administrative Agent may make available to Borrowers a corresponding amount on behalf of such Lender. If the amount of such Pro Rata share is not made available to the Administrative Agent in immediately available funds by a Lender until after the applicable Settlement Date, then such Lender shall pay to the Administrative Agent on demand and in immediately available funds an amount equal to the result of the following equation (which shall be in addition to the amount of such Lender's Pro Rata share of such Advance or Loan): the product of (a) the average (computed for the period determined under clause (c) below) of the weighted average interest rate for Federal Funds as determined by the Administrative Agent during each day included in such period, multiplied by (b) the amount of such Lender's Pro Rata share of such Advance or Loan, multiplied by (c) a fraction (i) the numerator of which is the number of days that elapsed from and including such Settlement Date to and including the date on which such Lender's Pro Rata share of such Advance or Loan is actually received by the Administrative Agent in immediately available funds and (ii) the denominator of which is 360. A statement from the Administrative Agent submitted to any Lender with respect to any amounts owing under this Section shall be conclusive (absent manifest error) as to the amount owed to the Administrative Agent by

such Lender. If such Lender's Pro Rata share is not actually received by the Administrative Agent in immediately available funds within three (3) Business Days after the applicable Settlement Date for such Advance or Loan, then the Administrative Agent shall be entitled to recover from such Lender, on demand, the amount of such Pro Rata share with interest thereon for the entire such period since such Settlement Date at the highest interest rate per annum then applicable under the Facilities.

8.11. Payments to Lenders. Promptly after receipt in immediately available funds from Borrowers of any payment of principal, interest or any fees or other amounts due to any Lender under the Loan Documents, the Administrative Agent shall distribute to each Lender that Lender's Pro Rata share of such funds so received.

8.12. Pro-Rata Sharing of Setoff Proceeds. Any sums obtained by the Administrative Agent or any Lender from any Borrower or other Obligor by reason of any exercise of a right of setoff or banker's lien shall be shared Pro Rata among Lenders. Notwithstanding the foregoing, neither the Administrative Agent nor any Lender shall be required to so share with any other Lender collections from any Borrower or other Obligor specifically relating to (or the proceeds of any item of collateral that is not subject to the Loan Documents) any other indebtedness (i.e. other than indebtedness under the Loan Documents) of such Borrower or other Obligor to the Administrative Agent or such Lender.

8.13. Limitation on Liability of Administrative Agent. The Administrative Agent (and its directors, officers, employees, agents, attorneys-in-fact and Affiliates) shall not be liable to any Lender for any action taken or inaction by Administrative Agent or such Person under or in connection with any Loan Document, except to the extent of foreseeable actual losses resulting directly and exclusively from Administrative Agent's own gross negligence, willful misconduct or fraud. Without limiting the generality of the foregoing, the Administrative Agent (and its directors, officers, employees, agents, attorneys-in-fact and Affiliates) shall not be liable, responsible or have any duty with respect to any of the following: (a) the genuineness, execution, authorization, validity, effectiveness, enforceability, collectibility, value or sufficiency of any Loan Document, or (b) the collectibility of any amount owed by any Obligor to any Lender, or (c) the accuracy, completeness or truthfulness of any recital, statement, representation or warranty made to the Administrative Agent or to any Lender in connection with any Loan Document or other certificate, affidavit, report, opinion, financial statement, document or instrument executed or furnished pursuant to or in connection with any Loan Document, or (d) any failure of any Person to receive any notice or communication due such Person under any Loan Document or applicable law, or (e) the assets, liabilities, financial condition, results of operations, business, prospects or creditworthiness of any Borrower or any other Obligor, or (f) ascertaining or inquiring into the satisfaction, observance or performance of any condition, covenant or agreement in any Loan Document (including, without limitation, the use of proceeds by any Borrower), or (g) the inspection of any books, records or properties of any Obligor, or (h) the existence or possible existence of any Default or Event of Default.

8.14. Indemnification. To the extent that Borrowers do not actually reimburse, indemnify or hold harmless Administrative Agent (in accordance with Section 10.1 hereof), then each Lender hereby agrees on a Pro Rata basis to indemnify and hold harmless the Administrative Agent (and its directors, officers, employees, agents, attorneys-in-fact and Affiliates) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, reasonable expenses or disbursements of any kind whatsoever that at any time (including, without limitation, at

any time following the payment of the Obligations of Borrowers hereunder) may be imposed upon, incurred by or asserted against the Administrative Agent (or its directors, officers, employees, agents, attorneys-in-fact or Affiliates) in its capacity as such in any way relating to or arising out of any Loan Document, or the transactions contemplated hereby or any action or inaction taken by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable to the Administrative Agent (or its directors, officers, employees, agents, attorneys-in-fact or Affiliates) for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting directly and exclusively from the gross negligence, willful misconduct or fraud of the Administrative Agent. If any indemnity furnished to the Administrative Agent (or its directors, officers, employees, agents, attorneys-in-fact or Affiliates) for any purpose (in the opinion of the Administrative Agent) shall be insufficient or become impaired, then the Administrative Agent may require additional indemnity and cease (or not commence) to do the acts indemnified against until such additional indemnity is furnished to the satisfaction of the Administrative Agent. The agreement in this Section shall survive the payment of all Advances, Loans, fees and other Obligations of each Borrower arising hereunder.

8.15. Resignation; Successor Administrative Agent. The Administrative Agent at any time may resign as the Administrative Agent under the Loan Documents by giving the Lenders and Borrowers written notice thereof at least 10 Business Days prior to the effective date of such resignation. During such notice period, the Required Lenders shall appoint (from among the Lenders) a successor Administrative Agent for the Lenders, subject to the consent of each Lender (such approval or consent, as the case may be, not to be unreasonably withheld, delayed or conditioned) and concurrent notice to the Borrowers. Upon acceptance of such appointment by such successor agent, (a) such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and (b) the term "Administrative Agent" shall include such successor agent effective upon its appointment, and (c) the resigning Administrative Agent's rights, powers and duties as the Administrative Agent shall be terminated, all without any other or further act or deed on the part of such former Administrative Agent or any of the parties to the Loan Documents. Notwithstanding the foregoing, after the effectiveness of the resigning Administrative Agent's resignation hereunder as the Administrative Agent, the provisions of this Article shall continue to inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under the Loan Documents.

ARTICLE 9: DEFINITIONS AND RULES OF CONSTRUCTION

9.1. Definitions. When used in this Agreement, the following terms shall have the respective meanings set forth below:

9.1.1. "Account" means, at any relevant time, the designated or principal deposit account of Borrowers at Administrative Agent for purposes of effecting transactions hereunder.

9.1.2. "Adjusted LIBO Rate" means the rate per annum (rounded upwards, if necessary, to the next 1/100th of 1%) determined by Administrative Agent pursuant to the following formula:

$$\text{Adjusted LIBO Rate} = \frac{\text{LIBO Rate}}{\quad}$$

1 - Reserve Percentage

For purposes of this calculation, "LIBO Rate" means the London Interbank Offered Rate per annum (determined by Administrative Agent) two (2) Business Days prior to the first day of any Interest Period for which the Adjusted LIBO Rate is applicable as published by Reuters Monitor Money Rate Service and displayed on the LIBO page as the "Libo Rate" (or, if Reuters is not available, then as published by Bloomberg or Dow Jones-Telerate and displayed on page 3750 as the BBA LIBOR) (or, in any such instance, as published by such other service or displayed on such other page as may replace such service or page for the purpose of displaying rates or prices comparable to the designated rate) for the offering of dollar deposits by leading banks in the London interbank market for a period of approximately 3 months and in an amount approximately equal to the amount outstanding hereunder to which such LIBO Rate will be applicable. If more than one such rate is displayed on such page or its replacement, then the LIBO Rate will be the arithmetic mean of such displayed rates. If the first day of the applicable Interest Period is not a Business Day, then the applicable LIBO Rate will be the rate in effect on the immediately preceding Business Day. For purposes of this calculation, "Reserve Percentage" means that percentage (expressed as a decimal) prescribed by the FRB (or any other governmental or administrative agency or funding source to which Administrative Agent is subject) for determining the reserve requirements (including any basic, supplemental, marginal or emergency reserves) for deposits of U.S. Dollars with maturities of comparable duration in a non-U.S. or an international banking office.

9.1.3. "Administrative Agent" means MCG Finance Corporation or any successor, assignee, pledgee or other transferee of Administrative Agent.

9.1.4. "Advance" means any advance of funds under any Facility.

9.1.5. "Advance Request" has the meaning set forth in Section 1.4.1.

9.1.6. "Affiliate" of any Person means any other Person that directly or indirectly controls, is controlled by or is under direct or indirect common control with such Person. A Person shall be deemed to "control" another Person if such first Person directly or indirectly possesses the power to direct (or to cause the direction of or to materially influence) the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise. Without limiting the generality of the foregoing, each of the following Persons will be deemed to be an Affiliate of a Person: (a) each Person who owns or controls 5% or more of any class or series of any equity interest of such Person, and (b) each member, manager, partner, director and/or senior executive officer of such Person or any Affiliate thereof, and (c) any family member or other relative of such Person or any Affiliate thereof, and (d) any trust of which any Person or Affiliate thereof is either a trustee or beneficiary. Notwithstanding the foregoing, neither any Lender nor Administrative Agent shall be deemed to be an Affiliate of any Obligor.

9.1.7. "Agreement" means this Credit Facility Agreement and all the exhibits and schedules hereto, all as may be amended and otherwise modified from time to time hereafter.

9.1.8. "Authorized Officer" means any officer, employee or representative of such organization who is expressly designated as such or is otherwise authorized to borrow funds hereunder or, as appropriate, to sign loan documents and/or deliver certificates on behalf of such

organization pursuant to the provisions of such organization's most recent resolution on file with Administrative Agent.

9.1.9. "Authorization" means any License or other governmental permit, certificate and/or approval issued by or any Tariff filed with any Official Body.

9.1.10. "Available Credit Portion" means that portion of the Term Loan Commitment that is generally available in the ordinary course for borrowing at any time under the Term Loan Facility, as such amount is determined in accordance with Section 1.3.

9.1.11. "Borrower" means, individually and collectively, the following:

- a. BiznessOnline.com, Inc., a Delaware corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- b. Global 2000 Communications, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- c. AlbanyNet, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- d. WebWay Internet, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- e. Ascent Networking, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- f. Cyberzone, Inc., a Connecticut corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- g. Caravela Software, Inc., a Connecticut corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- h. NECAnet, Inc., a Connecticut corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- i. Prime Communications Systems, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and

- j. Infoboard, Inc., a Massachusetts corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- k. Borg Internet Services, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- l. Ulsternet, Inc., a New York corporation, having its principal and chief executive office at the address specified in the Notice Section hereof, or any successor or authorized assignee thereof, and
- m. Any other entity subsequently added hereto as a Borrower hereunder, or any successor or authorized assignee thereof.

9.1.12. "Business Day" means any day that is not a Saturday, a Sunday or a day on which banks under the laws of the Commonwealth of Virginia (or, with respect to certain LIBO Rate matters, banks in London, England) are authorized or required to be closed.

9.1.13. "Capital Expenditures" means expenditures (a) for any fixed assets or improvements, replacements, substitutions or additions thereto that have a useful life of more than one (1) year, including direct or indirect acquisition of such assets or (b) for any Capital Leases.

9.1.14. "Capital Leases" means capital leases and subleases as defined in the Financial Accounting Standards Board Statement of Financial Accounting Standards No. 13 dated November 1976 (as amended and updated from time to time).

9.1.15. "Closing Date" means the date on which all conditions precedent to the effectiveness of this Agreement under Section 2.1 have been satisfied or waived by Lenders.

9.1.16. "Code" means the Internal Revenue Code of 1986, as amended.

9.1.17. "Collateral" means the collateral security committed to Administrative Agent under the Collateral Security Documents executed by any Borrower or any other Obligor in favor of Administrative Agent pursuant to this Agreement from time to time and/or pursuant to all similar or related documents and agreements from time to time, all as amended from time to time.

9.1.18. "Collateral Security Documents" means, individually and collectively, (a) the Security Agreements and the financing statements filed pursuant thereto, and (b) the Pledge and Security Agreements, and (c) any additional documents guaranteeing indebtedness, assuring performance of obligations, subordinating indebtedness, or granting security or Collateral to Administrative Agent hereunder, all as amended from time to time.

9.1.19. "Commitment" means any commitment for credit pursuant to a Facility established hereunder.

9.1.20. "Commitment Percentage" means, with respect to each Lender, that portion of the total Commitments as to which such Lender is obligated.

9.1.21. "Default" means any event or circumstance that with the giving of notice or the passage of time would constitute an Event of Default. The term Default shall include any Event of Default arising therefrom.

9.1.22. "Dollar" or "\$" means U.S. dollars.

9.1.23. "EBITDA" means, at the time of any determination, the sum of the following items for Borrowers during the relevant fiscal period:

- a. Net income from continuing operations (on a consolidated basis) during such period -- i.e., excluding extraordinary gains and income items and the cumulative effect of accounting changes, and income associated with transactions with Affiliates for which payment is received in a form other than cash or cash equivalents -- determined in accordance with GAAP, and
- b. Plus Interest Expense during such period, but subtract interest income accrued during such period, and
- c. Plus federal and state income taxes paid or required to be paid during such period and, and
- d. Plus depreciation permitted under GAAP during such period, and
- e. Plus amortization expense permitted under GAAP during such period.

For purposes of this calculation, interest shall include interest accrued under Capital Leases, determined in accordance with GAAP.

9.1.24. "Environmental Control Statutes" means all federal, state and local laws, rules, ordinances and regulations (as implemented and as interpreted) governing the control, removal, storage, transportation, spill, release or discharge of hazardous or toxic wastes, substances and petroleum products, including as provided in the provisions of (a) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendment and Reauthorization Act of 1986, and (b) the Solid Waste Disposal Act, and (c) the Clean Water Act, and (d) the Clean Air Act, and (e) the Hazardous Materials Transportation Act, and (f) the Resource Conservation and Recovery Act of 1976, and (g) the Federal Water Pollution Control Act Amendments of 1972, and (h) the rules, regulations and ordinances of the EPA, and any departments of health services, regional water quality control boards, state water resources control boards, and/or cities in which any of such Borrower's assets are located.

9.1.25. "EPA" means the United States Environmental Protection Agency or any other entity that succeeds to its responsibilities and powers.

9.1.26. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and as implemented and interpreted.

9.1.27. "ERISA Affiliate" means any company, whether or not incorporated, which is considered a single employer with Borrower under Titles I, II and IV of ERISA.

9.1.28. "Event of Default" means each of the events described in Section 7.1.

9.1.29. "Facility" means any credit facility established under Article 1.

9.1.30. "FCC" means the Federal Communications Commission or any other entity or agency that succeeds to its responsibilities and powers.

9.1.31. "Federal Communications Act" means the Communications Act of 1934, as amended, and as implemented by the FCC and interpreted by the FCC or any court of competent jurisdiction.

9.1.32. "Final Term Draw Date" has the meaning set forth in Section 1.1.1, as may be extended from time to time in Lenders' sole and absolute discretion.

9.1.33. "Fixed Charges" means, at the time of any determination, the sum of the following items (without duplication) for Borrowers during the relevant four consecutive fiscal quarter period:

- a. The amount of principal required to be paid under this Agreement during such period, and
- b. Plus the amount of principal paid or required to be paid and mandatory commitment reductions on other Funded Debt (i.e., Funded Debt other than under this Agreement) during such period, and
- c. Plus Interest Expense during such period, and
- d. Plus the amount of cash Capital Expenditures during such period.

9.1.34. "FRB" means the Board of Governors of the Federal Reserve System or any other entity or agency that succeeds to its responsibilities and powers.

9.1.35. "Funded Debt" means, at the time of any determination, the aggregate principal amount of indebtedness of all Borrowers (on a consolidated basis) for the following:

- a. Borrowed money (including the indebtedness under the Loan Documents, but not including trade indebtedness permitted under Section 5.2.b), and
- b. Installment purchases of real or personal property, and
- c. Subordinated Indebtedness, and
- d. Capital Leases, and
- e. Deferred purchase price in connection with acquisitions, and
- f. Reimbursement obligations under letters of credit, and
- g. Any indebtedness evidenced by a promissory note, and

- h. Guaranties of indebtedness and obligations that would constitute Funded Debt hereunder if the primary obligor thereof were a Borrower, and
- i. Indebtedness otherwise required to be included as part of "Funded Debt" under Section 5.2.

9.1.36. "GAAP" means generally accepted accounting principles applied on a consistent basis set forth in the Opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or in statements of the Financial Accounting Standards Board and/or in such other statements by such other entity as Administrative Agent may reasonably approve, which are applicable in the circumstances as of the date in question, and the requirement that such principles be applied on a consistent basis shall mean that the accounting principles observed in a current period are comparable in all material respects to those applied in preceding periods.

9.1.37. "Hazardous Materials" includes (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), as amended from time to time, and regulations promulgated thereunder; or (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.), as amended from time to time, and regulations promulgated thereunder; or (c) any other substance the use or presence of which on, in, under or above any real property ever owned, controlled or used by Borrower is similarly regulated or prohibited by any federal, state or local law, rule, ordinance, regulation or decree of any court or governmental authority as a hazardous material.

9.1.38. "Initial Acquisitions" has the meaning given to such term in Section 2.1.3.

9.1.39. "Interest Coverage Ratio" means, at any time such ratio is being computed, the ratio of "Pro Forma OCF" to "Interest Expense" (for the immediately preceding four fiscal quarters).

9.1.40. "Interest Expense" means, at the time of any determination, the amount of interest and other finance charges of Borrowers (on a consolidated basis) required to be charged as an expense under GAAP during the immediately preceding four consecutive fiscal quarter period (including the fees under Section 1.7 and any other such charges with respect to any Funded Debt). For purposes of this calculation, interest includes interest accrued under Capital Leases.

9.1.41. "Interest Period" means (a) with respect to the Prime Rate, a period of one (1) Business Day, and (b) with respect to the Adjusted LIBO Rate, a period of 3 months duration commencing initially on the date of the relevant Advance and ending 3 months thereafter and (after such initial Interest Period) commencing on the day immediately following the last day of the preceding Interest Period and ending on the corresponding day 3 months thereafter.

9.1.42. "Lender" means, individually and collectively, the following:

- a. MCG Finance Corporation or any successor, assignee, participant, pledgee or other transferee of such Lender hereunder, and

- b. Any other entity subsequently added hereto as a Lender hereunder, or any successor, assignee, participant or other transferee thereof.

9.1.43. "Leverage Ratio" means, at any time such ratio is being computed, the ratio of "Funded Debt" to "OCF" (for the immediately preceding four fiscal quarters).

9.1.44. "LIBO Rate" has the meaning set forth in the definition of "Adjusted LIBO Rate".

9.1.45. "License" means any authorization, construction or other permit, consent, franchise, ordinance, registration, certificate, license, call sign, frequency designation, agreement or other right filed with, granted by, issued by or entered into with any Official Body.

9.1.46. "Lien" means any security interest, mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), reversionary or reclamation interest, charge against or interest in property to secure payment of a debt or performance of an obligation or other priority or preferential arrangement of any kind or nature whatsoever.

9.1.47. "LLC" means a limited liability company.

9.1.48. "Loan" means any loan or Advance of funds under any Facility as well as any other credit extended by Administrative Agent or any Lender to any Borrower under this Agreement.

9.1.49. "Loan Documents" means this Agreement, any Notes, the Collateral Security Documents and any other documents, agreements and certificates entered into or delivered in connection herewith or therewith or pursuant hereto or thereto, all as may be amended, modified and supplemented from time to time.

9.1.50. "Local Authorities" means, individually and collectively, the state and local governmental authorities that govern the activities of any Borrower.

9.1.51. "Margin Regulation" has the meaning set forth in Section 3.17.

9.1.52. "Margin Stock" has the meaning set forth in Section 3.17.

9.1.53. "Material Adverse Change" means any change that has or causes or could reasonably be expected to have or cause a Material Adverse Effect.

9.1.54. "Material Adverse Effect" means, relative to any occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), a material adverse change to, or, as the case may be, a materially adverse effect on:

- a. The business, assets, revenues, financial condition, operations, Collateral or prospects of any Borrower or other Obligor; or

- b. The ability of any Borrower to perform any of its payment obligations when due or to perform any other material obligations under any Loan Document; or
- c. Any right, remedy or benefit of Administrative Agent or any Lender under any Loan Document.

9.1.55. "Material Contract" has the meaning set forth in Section 3.8.

9.1.56. "MCG" means MCG Finance Corporation, a Delaware corporation, or any successor or assignee thereof, having an office at the address specified in the Notice Section hereof, and which is Administrative Agent and a Lender hereunder at the time of execution hereof.

9.1.57. "Notes" means, individually and collectively, each promissory note delivered to each Lender pursuant to any Loan Document and evidencing any indebtedness to such Lender under the Loan Documents (each as may be amended, modified, supplemented, restated, extended, renewed or replaced from time to time).

9.1.58. "Obligations" means all of the indebtedness and obligations (monetary or otherwise) of any Borrower and any other Obligor arising under or in connection with any Loan Document as well as all indebtedness and obligations (monetary or otherwise) of any Affiliate of any Borrower or other Obligor arising under or in connection with any agreement between any such Affiliate and Administrative Agent or any Lender (or any Affiliate of Administrative Agent or any Lender).

9.1.59. "Obligor" means each Borrower or any other Person (other than Administrative Agent and Lenders) obligated under any Loan Document.

9.1.60. "OCF" (or "Operating Cash Flow") has the meaning set forth in the definition of EBITDA determined for the immediately preceding four fiscal quarter period.

9.1.61. "Official Body" means any federal, state, local, or other government (or any political subdivision, agency, authority, bureau, commission, department or instrumentality thereof) and any court, tribunal, grand jury or arbitrator, in each instance whether foreign or domestic.

9.1.62. "Operating Agreement" means any consulting agreement, management agreement, employment agreement, cost allocation agreement, or other similar agreement relating to the operations of any Borrower.

9.1.63. "Option" has the meaning set forth in Section 1.7.

9.1.64. "Organic Document" means, relative to any entity, its certificate and articles of incorporation or organization, its by-laws or operating agreements, and all equityholder agreements, voting agreements and similar arrangements applicable to any of its authorized shares of capital stock, its partnership interests or its member interests, and any other arrangements relating to the control or management of any such entity (whether existing as a corporation, a partnership, an LLC or otherwise).

9.1.65. "PBGC" means the Pension Benefits Guaranty Corporation or any other entity that succeeds to its responsibilities and powers under ERISA.

9.1.66. "Permitted Guaranties" has the meaning set forth in Section 5.3.

9.1.67. "Permitted Indebtedness" has the meaning set forth in Section 5.2.

9.1.68. "Permitted Investments" has the meaning set forth in Section 5.7.

9.1.69. "Permitted Liens" has the meaning set forth in Section 5.5.

9.1.70. "Permitted Loans" has the meaning set forth in Section 5.4.

9.1.71. "Permitted Transfers" has the meaning set forth in Section 5.6.

9.1.72. "Person" means any natural person, corporation, LLC, partnership, firm, association, trust, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.

9.1.73. "Plan" means any pension benefit or welfare benefit plan as defined in Sections 3(1), (2) or (3) of ERISA covering employees of any Borrower or any ERISA Affiliate of any Borrower.

9.1.74. "Pledge and Security Agreements" means, individually and collectively, each pledge and security agreement relating to a pledge of an equity interest in an enterprise (all as may be amended, modified and supplemented from time to time) required to be executed and delivered in favor of Administrative Agent pursuant to the Loan Documents.

9.1.75. "Portion" means a designated portion of the indebtedness hereunder as to which a specified Rate Index (and a corresponding Rate Margin) has been selected or deemed to be applicable.

9.1.76. "Prime Rate" means a variable rate of interest per annum equal to the rate of interest from time to time published by the Board of Governors of the Federal Reserve System in Federal Reserve statistical release H.15 (519) entitled "Selected Interest Rates" as the Bank prime loan rate. The Prime Rate also includes rates published in any successor publications of the Federal Reserve System reporting the Bank prime loan rate or its equivalent. In the event that the Board of Governors of the Federal Reserve System ceases to publish a Bank prime loan rate or equivalent, the term "Prime Rate" shall mean a variable rate of interest per annum equal to the highest of the "prime rate," "reference rate," "base rate" or other similar rate as determined by Administrative Agent announced from time to time by any of First Union National Bank, NationsBank, the Chase Manhattan Bank or Citibank, N.A. Such term, however, does not necessarily mean Administrative Agent's best or lowest rate available.

9.1.77. "Pro Forma Leverage Ratio" means, at any time such ratio is being computed, the ratio of "Funded Debt" to "Pro forma OCF."

9.1.78. "Pro Forma OCF" means, at the time of any determination, the sum of the following items (without duplication) for Borrowers during the relevant single fiscal quarter period (multiplied by four):

- a. EBITDA during such period, and
- b. Plus or minus such adjustments as set forth on Schedule 9.1 which Schedule will be updated from time to time as approved in Lenders' sole and absolute discretion.

9.1.79. "Pro Rata" means from or to each Lender in proportion to its Commitment Percentage.

9.1.80. "Rate Index" has the meaning set forth in Section 1.1.5.

9.1.81. "Rate Margin" has the meaning set forth in Section 1.1.5.

9.1.82. "Required Lender" means Lenders holding at least 66% of the aggregate outstanding principal amount of the Loans (or, if no Loans at the time of such determination are outstanding, then Lenders obligated with respect to at least 66% of the Commitments).

9.1.83. "Reserve Percentage" has the meaning set forth in the definition of "Adjusted LIBO Rate".

9.1.84. "Revenue" means revenue of Borrowers (on a consolidated basis) as determined in accordance with GAAP.

9.1.85. "SEC" means the Securities and Exchange Commission or any other entity that succeeds to its responsibilities and powers.

9.1.86. "Securities Acts" means, collectively, the Securities Act of 1933 and the Securities Exchange Act of 1934, each as amended, and as implemented by the SEC and interpreted by the SEC or any court of competent jurisdiction.

9.1.87. "Security Agreements" means, collectively, each security agreement (as may be amended, modified and supplemented from time to time) required to be executed and delivered in favor of Administrative Agent pursuant to Article 2, and any other security agreement required or delivered in connection with the Loan Documents, including any intellectual property assignments or security agreements required to be delivered pursuant to Article 2.

9.1.88. "Settlement Date" means, with respect to any Advance hereunder, the date on which funds are advanced by Administrative Agent.

9.1.89. "State Communications Acts" means the laws of any state in which any Borrower does business that govern the provision of communications services offered or performed by any Borrower within such state and are applicable to such Borrower, as amended from time to time, and as implemented by the rules, regulations, and orders of the applicable State PUC or any court of competent jurisdiction.

9.1.90. “State PUC” means the public utility commission or other regulatory agency of any state in which any Borrower does business that is vested with jurisdiction over such Borrower and over State Communications Acts or the provision of communication services within such state.

9.1.91. “Subordinated Indebtedness” means all indebtedness and monetary obligations of any Borrower (other than indebtedness in favor of Administrative Agent or any Lender or indebtedness and obligations expressly excluded therefrom by Required Lenders), including all indebtedness treated or defined as “Subordinated Indebtedness” under any separate Subordination Agreement by and among a Borrower, Administrative Agent and another Person. Notwithstanding the foregoing, the term “Subordinated Indebtedness” (unless Required Lenders otherwise require) does not include indebtedness permitted under Section 5.2.a or 5.2.b or (to the extent consistent with Section 5.5.b) under Section 5.2.c or 5.2.d.

9.1.92. “Subsidiary” of any Person or entity means any Person as to which such other Person or entity (a) directly or indirectly owns, controls or holds 25% or more of the outstanding beneficial interest or (b) is otherwise required in accordance with GAAP to be considered as part of a consolidated organization.

9.1.93. “Tariff” means any tariff, rate schedule or similar document that is either (a) required by law or applicable regulation to be filed with the FCC or a State PUC or (b) permitted by law or applicable regulation so to be filed and actually filed by any Borrower.

9.1.94. “Term Loan Commitment” means the Commitment established pursuant to Section 1.1 and Section 1.3.

9.1.95. “Term Loan Commitment Percentage” means, with respect to each Lender, that portion of the total Term Loan Commitment as to which such Lender is obligated.

9.1.96. “Term Loan Facility” means the term loan Facility as described in Article 1.

9.1.97. “Term Loan Maturity Date” has the meaning set forth in Section 1.1.2, as may be extended from time to time in Lenders’ sole and absolute discretion.

9.1.98. “Term Loan Note” means any Note payable to the order of a Lender prepared in accordance with Section 1.1.4, as may be amended, modified, restated, replaced, supplemented, extended or renewed from time to time hereafter.

9.1.99. “Total Charges” means, at the time of any determination, the sum of the following items (without duplication) for Borrowers during the relevant four consecutive fiscal quarter period:

- a. The amount of Fixed Charges during such period, and
- b. Plus the amount of all payments (principal, interest and otherwise) made or required to be made on the Subordinated Indebtedness during such

period (but only to the extent not already included under one of the other categories of Total Charges), and

- c. Plus the amount of federal and state income taxes paid or required to be paid during such period (but only to the extent not already included under one of the other categories of Total Charges).

For purposes of this calculation, interest includes interest accrued under Capital Leases, and principal includes principal obligations under Capital Leases.

9.1.100. "Total Charge Coverage Ratio" means, at any time such ratio is being computed, the ratio of "Pro Forma OCF" to "Total Charges" (for the immediately preceding four fiscal quarters).

9.1.101. "UCC" means the Uniform Commercial Code as in effect in the applicable jurisdiction.

9.1.102. "Warrant Agreement" means that certain Warrant Agreement between BiznessOnline and MCG dated as of the date hereof, as amended from time to time.

9.1.103. "Warrants" has the meaning set forth in Section 1.7.

9.2. Rules of Interpretation and Construction.

9.2.1. Plural; Gender. Unless otherwise expressly stated or the context clearly indicates a different intention, then (as may be appropriate in the particular context) (a) a singular number or noun used in any Loan Document includes the plural, and a plural number or noun includes the singular, and (b) the use of the masculine, feminine or neuter gender pronouns in any Loan Document includes each and all genders.

9.2.2. Section and Schedule References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to sections, paragraphs, clauses, schedules and exhibits in any Loan Document are to be interpreted as references to sections, paragraphs, clauses, schedules and exhibits of such Loan Document (rather than of some other Loan Document). In addition, the words "herein", "hereof", "hereunder", "hereto" and other words of similar import in any Loan Document refer to such Loan Document as a whole, and not to any particular section, paragraph or clause in such Loan Document.

9.2.3. Titles and Headings. Unless otherwise expressly stated or the context clearly indicates a different intention, then the various titles and headings in the Loan Documents are inserted for convenience only and do not affect the meaning or interpretation of such Loan Document or any provision thereof.

9.2.4. "Including" and "Among Other" References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references in the Loan Documents to phrases containing or list preceded by the words "include", "includes", "including", "among other", "among other things" or other words or phrases of similar import are to be interpreted to mean such "without limitation" (whether or not such additional phrase is actually added). In other

words, such words and phrases connote an illustrative example or list rather than an exclusive example or list.

9.2.5. "Shall", "Will", "Must", "Can" and "May" References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references in the Loan Documents to the words "shall", "will" and "must" (including, when modified by "not") are to be interpreted to indicate mandatory actions or restrictions (as applicable), and all references in the Loan Documents to the words "may" and "can" (unless modified by "not") are to be interpreted to indicate permissive actions.

9.2.6. Time of Day References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all time of day references in and restrictions imposed under the Loan Documents are to be calculated using Eastern Time.

9.2.7. "Knowledge" of a Person. Unless otherwise expressly stated or the context clearly indicates a different intention, then (a) all references to the "knowledge," "awareness" or "belief" of any Person that is not a natural person are to be interpreted to mean the knowledge, awareness or belief of senior and executive management of such Person (and including the knowledge or awareness of managers of limited liability companies and general partners of partnerships), and (b) all representations qualified by the "knowledge," "awareness" or "belief" of a Person are to be interpreted to mean (unless a different standard is specified) that such Person has conducted a commercially reasonable inquiry and investigation prior to making such representation.

9.2.8. Successors and Assigns. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to any Person (including any Official Body) in any Loan Document are to be interpreted as including (as applicable) such Person's successors, assigns, estate, heirs, executors, administrators and personal representatives. Notwithstanding the foregoing, no Borrower or other Obligor may assign or delegate any Loan Document (or any right or obligation thereunder) except to the extent expressly permitted hereunder or under such other Loan Document.

9.2.9. Modifications to Documents. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to any Loan Document or other agreement or instrument in any Loan Document are to be interpreted as including all extensions, renewals, amendments, supplements, substitutions, replacements and waivers thereto and thereof from time to time.

9.2.10. References to Laws and Regulations. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to any law, regulation, rule, order or policy in any Loan Document are to be interpreted references to such law, regulation, rule or policy (a) as implemented and interpreted from time to time by Official Bodies with appropriate jurisdiction therefor, and (b) as amended, modified, supplemented, replaced and repealed from time to time.

9.2.11. Financial and Accounting Terms. Unless otherwise expressly stated or the context clearly indicates a different intention, financial and accounting terms used in the foregoing definitions or elsewhere in the Loan Documents shall be defined and determined in accordance with GAAP.

9.2.12. Conflicts Among Loan Documents. Unless otherwise expressly stated or the context clearly indicates a different intention, then any irreconcilable conflict between the terms and conditions of this Agreement and the terms and conditions of any other Loan Document (other than a Note or any warrant issued to any Lender) are to be resolved by having the terms and conditions of this Agreement govern.

9.2.13. Independence of Covenants and Defaults. All covenants and defaults contained in the Loan Documents shall be given independent effect. If a particular action or condition is not permitted by any covenant in the Loan Documents, then the fact that such action or condition would be permitted by an exception to (or would otherwise be within the limitations of) another covenant in the Loan Documents shall not avoid the occurrence or existence of a Default if such action is taken or if such condition exists.

9.2.14. Administrative Agent. References in this Agreement and the other Loan Documents to Administrative Agent shall mean either to Administrative Agent in such capacity or (where appropriate) to Administrative Agent for the benefit of Lenders. Unless otherwise indicated in this Agreement or another Loan Document, all Collateral held and all payments received by Administrative Agent are deemed to be held and received, respectively, for the benefit of Lenders.

ARTICLE 10: MISCELLANEOUS

10.1. Indemnification, Reliance and Assumption of Risk. Without limiting any other indemnification in any Loan Document, each Borrower (jointly and severally) hereby agrees to defend Administrative Agent and each Lender (and their directors, officers, employees, agents, counsels and Affiliates) from, and hold each of them harmless against, any and all losses, liabilities, claims, damages, interests, judgments, or costs (including fees and disbursements of counsel) incurred by any of them arising out of or in any way connected with any Loan Document, except for losses resulting directly and exclusively from Administrative Agent's or any Lender's own gross negligence, willful misconduct or fraud. In addition, each Borrower will reimburse and (jointly and severally) indemnify Administrative Agent and each Lender for all costs and losses resulting from the following: (1) any failure or refusal by any Borrower or by any Affiliate of any Borrower to provide any requested assistance or cooperation in connection with any attempt by Administrative Agent or any Lender to liquidate any Collateral in the event of any Event of Default and/or any attempt by Administrative Agent or any Lender to otherwise exercise its rights hereunder, and (2) any misrepresentation, gross negligence, fraud or willful misconduct by any Borrower (or any of its employees or officers), or any other person or entity pledging Collateral hereunder. Moreover, with respect to any Advance Request or other communication between any Borrower and Administrative Agent and/or Lenders hereunder and all other matters and transactions in connection therewith, each Borrower hereby irrevocably authorizes Administrative Agent and each Lender to accept, rely upon, act upon and comply with any verbal or written instructions, requests, confirmations and orders of any Authorized Officer of any Borrower. Each Borrower acknowledges that the transmissions of any such instruction, request, confirmation, order or other communication involves the possibility of errors, omissions, mistakes and discrepancies, and each Borrower agrees to adopt such internal measures and operational procedures to protect its interest. By reason thereof, each Borrower hereby assumes all risk of loss and responsibility for -- and hereby releases and discharges Administrative Agent and each Lender from any and all risk of loss and responsibility for, and agrees to indemnify, reimburse on demand and hold Administrative Agent and each Lender harmless from -- any and all

claims, actions, damages, losses, liability and costs by reason of or in any way related to (a) Administrative Agent's or any Lender's accepting, relying and acting upon, complying with or observing any such instructions, requests, confirmations or orders from or on behalf of any such Authorized Officer, and (b) any such errors, omissions, mistakes and discrepancies by (or otherwise resulting from or attributable to the actions or inactions of) any Authorized Officer or any Borrower; provided, however, no Borrower assumes hereby the risk of any foreseeable actual loss resulting directly and exclusively from Administrative Agent's or any Lender's own gross negligence, fraud or willful misconduct. Each Borrower's obligations provided for in this Section will survive any termination of this Agreement, and the repayment of the outstanding balances hereunder.

10.2. Assignments and Participations. No Loan Document may be assigned (in whole or in part) by any Borrower without the prior written consent of each Lender. Notwithstanding any other provision of any Loan Document, without receiving any consent of any Borrower, each Lender at any time and from time to time may syndicate, participate or otherwise transfer, pledge or assign all (or any proportionate part of) its rights and obligations under any of the Loan Documents (or any indebtedness evidenced thereby) to any Person. Lenders (through Administrative Agent) will make reasonable efforts to notify Borrowers of any such absolute transfer or assignment within twenty (20) Business Days thereafter; however, a failure to so notify will in no way impair any rights of Administrative Agent or Lenders or any participant, transferee or assignee. Upon execution and delivery of an appropriate instrument between any such participant, transferee or assignee and an assigning Lender, then (at Administrative Agent's request) such participant, transferee or assignee will become a Lender party to this Agreement and will have all the rights and obligations of a Lender as set forth in such instrument. At Administrative Agent's request, each Borrower will execute (or re-execute) and deliver (or otherwise obtain) any documents necessary to reflect or implement any such participation, transfer or assignment (including replacement promissory notes and any requested letters authorizing such participant, transferee or assignee to rely on existing certificates and opinions) and will otherwise fully cooperate in any such syndication process. Attached as Exhibit 10.2 is a form of Assignment and Assumption Agreement, a substantially similar version of which is to be used in connection with assignment of Lenders hereunder.

10.3. No Waiver; Delay. To be effective, any waiver by Lenders must be expressed in a writing executed by Administrative Agent (with the approval of Required Lenders). Once a Default occurs under the Loan Documents, then such Default will continue to exist until it either is cured (to the extent specifically permitted) in accordance with the Loan Documents or is otherwise expressly waived by Lenders (in their sole and absolute discretion) in writing; and once an Event of Default occurs under the Loan Documents, then such Event of Default will continue to exist until it is expressly waived by Lenders (in their sole and absolute discretion) in writing. If Administrative Agent or any Lender waives any power, right or remedy arising hereunder or under any applicable law, then such waiver will not be deemed to be a waiver (a) upon the later occurrence or recurrence of any events giving rise to the earlier waiver or (b) as to any other Obligor. No failure or delay by Administrative Agent or any Lender to insist upon the strict performance of any term, condition, covenant or agreement of any of the Loan Documents, or to exercise any right, power or remedy hereunder, will constitute a waiver of compliance with any such term, condition, covenant or agreement, or preclude Administrative Agent or any Lender from exercising any such right, power, or remedy at any later time or times. By accepting payment after the due date of any amount payable under this Agreement or any other Loan Document, neither Administrative Agent nor any Lender will be deemed to waive the right either to require prompt payment when due of all other amounts

payable under this Agreement or any other Loan Document or to declare an Event of Default for failure to effect such prompt payment of any such other amount. The remedies provided herein are cumulative and not exclusive of each other, the remedies provided by law, and the remedies provided by the other Loan Documents.

10.4. Modifications and Amendments. Except as otherwise expressly provided in this Agreement, no modification or amendment to any Loan Document will be effective unless made in a writing signed by appropriate officers of Administrative Agent (with the consent of the Required Lenders) and each Borrower. Notwithstanding the foregoing, to the extent that any such modification or amendment attempts to implement any of the following, then such amendment or modification must approved by all Lenders:

- a. Increase the Commitment Percentage of any Lender, or
- b. Alter any provision that effectively reduces that interest rate applicable to the Loans, or
- c. Reduce the amount of any fees due to Lenders under any Loan Document (other than fees payable to the Administrative Agent for its own account), or
- d. Reduce the amount of any payment (whether for principal, interest or any fee, other than a fee payable to the Administrative Agent for its own account), or
- e. Postpone or extend the Maturity Date for any Facility or any scheduled payment date (whether for principal, interest or any fee, other than a fee payable to the Administrative Agent for its own account), or
- f. Change the definition of "Pro Rata" or "Required Lenders" or otherwise change the number or percentage of Lenders that are required to take or approve (or direct the Administrative Agent to take) any action under the Loan Documents, or
- g. Release or discharge any Borrower as a "Borrower" under the Loan Documents or permit any Borrower to assign to another Person any of its rights or obligations under the Loan Documents, or
- h. Release all or any part of any guaranty of any part of the Indebtedness under the Loan Documents or any security interest in or pledge of any Collateral (except as otherwise already expressly authorized under the Loan Documents), or
- i. Amend this Section.

In addition, no provision of any Loan Document relating to the rights or obligations of the Administrative Agent may be modified or amended without the consent of the Administrative Agent.

10.5. Disclosure of Information to Third Parties. Administrative Agent and each Lender will employ reasonable procedures to treat as confidential all written, non-public information delivered to Administrative Agent or such Lender pursuant to this Agreement concerning the

performance, operations, assets, structure and business plans of Borrowers that is conspicuously designated by Borrowers as confidential information. While other or different confidentiality procedures may be employed by Administrative Agent or any Lender, the actual procedures employed by Administrative Agent and each Lender for this purpose will be conclusively deemed to be reasonable if they are at least as protective of such information as the procedures generally employed by Administrative Agent and such Lender to safeguard the confidentiality of Administrative Agent's and Lenders' own confidential information. Notwithstanding the foregoing, Administrative Agent and each Lender may disclose any information concerning any Borrower in Administrative Agent's or such Lender's possession from time to time (a) to permitted participants, transferees, assignees, pledgees and investors (including prospective participants, transferees, assignees, pledgees and investors), but subject to a reasonable confidentiality agreement regarding any non-public confidential information thereby disclosed, and (b) in response to credit inquiries consistent with general banking practices, and (c) to any federal or state regulator of Administrative Agent or such Lender, and (d) to Administrative Agent's or such Lender's Affiliates, employees, legal counsel, appraisers, accountants, agents and investors, and (e) to any Person pursuant to compulsory judicial process, and (f) to any judicial or arbitration forum in connection with enforcing the Loan Documents or defending any action based upon the Loan Documents or the relationship between Administrative Agent, Lenders, and Borrowers, and (g) to any other Person with respect to the public or non-confidential portions of any such information. Moreover, Administrative Agent and each Lender (without any compensation, remuneration or notice to Borrowers) may also include operational and performance and structural information and data relating to Borrowers in compilations, reports and data bases assembled by Administrative Agent or such Lender (or their Affiliates) and used to conduct, support, assist in and validate portfolio, industry and credit research and analysis for itself and other Persons; provided, however, that neither Administrative Agent nor any Lender may thereby disclose to other Persons any information relating to Borrowers in a manner that is attributable to Borrowers unless (1) such disclosure is permitted under the standards outlined above in this Section or (2) Borrowers otherwise separately consent thereto (which consent may not be unreasonably withheld).

10.6. Binding Effect and Governing Law. This Agreement and the other Loan Documents have been delivered by Borrowers and the other Obligors and have been received by Administrative Agent in the Commonwealth of Virginia. This Agreement and all documents executed hereunder are binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement and all documents executed hereunder are governed as to their validity, interpretation, construction and effect by the laws of the Commonwealth of Virginia (without giving effect to the conflicts of law rules of Virginia).

10.7. Notices. Any notice, request, consent, waiver or other communication required or permitted under or in connection with the Loan Documents will be deemed satisfactorily given if it is in writing and is delivered either personally to the addressee thereof, or by prepaid registered or certified U.S. mail (return receipt requested), or by a nationally recognized commercial courier service with next-day delivery charges prepaid, or by telegraph, or by facsimile (voice confirmed), or by any other reasonable means of personal delivery to the party entitled thereto at its respective address set forth below:

If to any Borrower	[Party Entitled to Notice]
<u>or its Affiliates:</u>	c/o BiznessOnline.com, Inc.

Attention: President
Facsimile: () -

With a copy to the following listed counsel or such other counsel as may be designated by Borrowers from time to time (and which notice shall not constitute notice to Borrowers and failure to give such notice shall not affect the effectiveness of notice to Borrowers):

If to Administrative: MCG Finance Corporation
Agent or Lenders: 1100 Wilson Boulevard, Suite 800
Arlington, VA 22209
Attention: Loan Administration
Facsimile: (703) 247-7505

With a copy to the following listed counsel or such other counsel as may be designated by Administrative Agent from time to time (and which notice shall not constitute notice to Administrative Agent or any Lender and failure to give such notice shall not affect the effectiveness of notice to Administrative Agent or Lenders):

Karen W. Fries, Esquire
Bryan Cave LLP
211 North Broadway, Suite 3600
St. Louis, Missouri 63102
Facsimile: (314) 259-2020

Any party to a Loan Document may change its address or facsimile number for notice purposes by giving notice thereof to the other parties to such Loan Document in accordance with this Section, provided that such change shall not be effective until 2 calendar days after notice of such change. All such notices and other communications will be deemed given and effective (a) if by mail, then upon actual receipt or 5 calendar days after mailing as provided above (whichever is earlier), or (b) if by facsimile, then upon successful transmittal to such party's designated number, or (c) if by telegraph, then upon actual receipt or 2 Business Days after delivery to the telegraph company (whichever is earlier), or (d) if by nationally recognized commercial courier service, then upon actual receipt or 2 Business Days after delivery to the courier service (whichever is earlier), or (e) if otherwise delivered, then upon actual receipt. For any and all purposes related to giving and receiving notices and communications between any Borrower and Administrative Agent and Lenders under any Loan Document, each Borrower hereby irrevocably appoints BiznessOnline (and each Authorized Officer thereof) as its agent to whom Administrative Agent and each Lender may give and from whom Administrative Agent and each Lender may receive all such notices and

communications, and Administrative Agent and each Lender is entitled to rely upon (and treat as being properly authorized by Borrowers) any verbal or written notices or communications purportedly received from (or that Administrative Agent or such Lender believes in good faith to be received from) such Authorized Officer.

A. Relationship with Prior Agreements. This Agreement completely and fully supersedes all oral agreements and all other and prior written agreements by and among Borrowers and Administrative Agent and any Lender concerning the terms and conditions of this credit arrangement.

B. Severability. If fulfillment of any provision of or any transaction related to any Loan Document at the time performance is due involves transcending the limit of validity prescribed by applicable law, then ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity. If any clause or provision of this Agreement operates or would prospectively operate to invalidate this Agreement or any other Loan Document in whole or in part, then such clause or provision only shall be void (as though not contained herein or therein), and the remainder of this Agreement or such other Loan Document shall remain operative and in full force and effect; provided, however, if any such clause or provision pertains to the repayment of any indebtedness hereunder, then the occurrence of any such invalidity shall constitute an immediate Event of Default hereunder.

C. Termination and Survival. All representations, warranties, covenants and other agreements of any Obligor contained in any Loan Document or any other documentation required thereunder will survive the execution and delivery of the Loan Documents and the funding of the Advances hereunder and will continue in full force and effect until terminated in accordance with this Agreement. Upon (a) indefeasible receipt by Administrative Agent of the entire indebtedness and all other amounts then due or owing to Administrative Agent or any Lender under the Loan Documents (without any condition, deduction, offset, netting, counterclaim or reservation of rights), and (b) receipt by Administrative Agent of an instruction from Borrowers to terminate and cancel the Loan Documents, all Commitments and all Facilities thereunder (together with an acknowledgment that neither Administrative Agent nor any Lender will have any further obligations or liabilities under or in connection with any Loan Document), then Administrative Agent (at the written request and expense of Borrowers) will terminate and cancel all Loan Documents (other than the waivers, reinstatement rights, and reimbursement and indemnification protections in favor of Administrative Agent and each Lender under the Loan Documents, which provisions shall survive any such termination of the Loan Documents).

D. Reinstatement. To the maximum extent not prohibited by applicable law, this Agreement and the other Loan Documents (and the indebtedness hereunder and Collateral therefor) will be reinstated and the indebtedness correspondingly increased (as though such payment(s) had not been made) if at any time any amount received by Administrative Agent or any Lender in respect of any Loan Document is rescinded or must otherwise be restored, refunded or returned by Administrative Agent or such Lender to Borrower or any other Person (a) upon or as a result of the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Borrower or any other Person, or (b) upon or as a result of the appointment of any receiver, intervenor, conservator, trustee or similar official for any Borrower or any other Person or for any substantial part of the assets of any Borrower or any other Person, or (c) for any other reason.

E. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document. Each such counterpart will be deemed to be an original but all counterparts together will constitute one and the same instrument.

F. Waiver of Suretyship Defenses. Each Borrower hereby waives any and all defenses and rights of discharge based upon suretyship or impairment of collateral (including lack of attachment or perfection with respect thereto) that it may now have or may hereafter acquire with respect to Administrative Agent or any Lender or any of its obligations hereunder, under any Loan Document or under any other agreement that it may have or may hereafter enter into with Administrative Agent or any Lender.

G. Waiver of Liability. Each Borrower (a) agrees that neither Administrative Agent nor any Lender (nor any of their directors, officers, employees or agents) shall have any liability to any Borrower (whether sounding in tort, contract or otherwise) for losses or costs suffered or incurred by any Borrower in connection with or in any way related to the transactions contemplated or the relationship established by any Loan Document, or any act, omission or event occurring in connection herewith or therewith, except for foreseeable actual losses resulting directly and exclusively from Administrative Agent's or such Lender's own gross negligence, willful misconduct or fraud and (b) waives, releases and agrees not to sue upon any claim against Administrative Agent or any Lender (or their directors, officers, employees or agents) whether sounding in tort, contract or otherwise, except for claims for foreseeable actual losses resulting directly and exclusively from Administrative Agent's or such Lender's own gross negligence, willful misconduct or fraud. Moreover, whether or not such damages are related to a claim that is subject to the waiver effected above and whether or not such waiver is effective, neither Administrative Agent nor any Lender (nor their directors, officers, employees or agents) shall have any liability with respect to (and each Borrower hereby waives, releases and agrees not to sue upon any claim for) any special, indirect, consequential, punitive or non-foreseeable damages suffered by any Borrower in connection with or in any way related to the transactions contemplated or the relationship established by any Loan Document, or any act, omission or event occurring in connection herewith or therewith.

H. Forum Selection; Consent to Jurisdiction. Any litigation in connection with or in any way related to any Loan Document, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of Administrative Agent, any Lender or any Borrower will be brought and maintained exclusively in the courts of the Commonwealth of Virginia or in the United States District Court for the Eastern District of Virginia; provided, however, that any suit seeking enforcement against any Borrower, any Collateral or any other property may also be brought (at Administrative Agent's and Lenders' option) in the courts of any other jurisdiction where such Collateral or other property may be found or where Administrative Agent or any Lender may otherwise obtain personal jurisdiction over such Borrower. Each Borrower hereby expressly and irrevocably submits to the jurisdiction of the courts of the Commonwealth of Virginia and of the United States District Court for the Eastern District of Virginia for the purpose of any such litigation as set forth above and irrevocably agrees to be bound by any final and non-appealable judgment rendered thereby in connection with such litigation. Each Borrower further irrevocably

consents to the service of process by registered or certified mail, postage prepaid, or by personal service within or outside the Commonwealth of Virginia. Each Borrower hereby expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter may have to the laying of venue of any such litigation brought in any such court referred to above and any claim that any such litigation has been brought in an inconvenient forum. To the extent that any Borrower has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) with respect to itself or its property, then such Borrower hereby irrevocably waives such immunity in respect of its obligations under this Agreement.

I. Waiver of Jury Trial. Administrative Agent, each Lender and each Borrower each hereby knowingly, voluntarily and intentionally waives any rights it may have to a trial by jury in respect of any litigation (whether as claim, counter-claim, affirmative defense or otherwise) in connection with or in any way related to any of the Loan Documents, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of Administrative Agent, any Lender or any Borrower. Each Borrower acknowledges and agrees (a) that it has received full and sufficient consideration for this provision (and each other provision of each other Loan Document to which it is a party), and (b) that it has been advised by legal counsel in connection herewith, and (c) that this provision is a material inducement for Administrative Agent and each Lender entering into the Loan Documents and funding Advances thereunder.

[BALANCE OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the undersigned, by their duly authorized officers, have executed this Credit Facility Agreement, as an instrument under seal (whether or not any such seals are physically attached hereto), as of the day and year first above written.

ATTEST:

BIZNESSONLINE.COM, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

GLOBAL 2000 COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ALBANYNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

WEBWAY INTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ASCENT NETWORKING, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CYBERZONE, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CARAVELA SOFTWARE, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

NECANET, INC.

By: _____
Name: _____
Title: _____

ATTEST:

**PRIME COMMUNICATIONS
SYSTEMS, INC.**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

INFOBOARD, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

BORG INTERNET SERVICES, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ULSTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

WITNESS:

MCG FINANCE CORPORATION

By: _____

By: _____
Name: _____

Title:

ADVANCE REQUEST AND CERTIFICATE

This Advance Request and Certificate ("Certificate") is being delivered pursuant to the Credit Facility Agreement dated as of February __, 2000 (as amended from time to time, "Credit Agreement") by and among **BIZNESSONLINE.COM, INC.**, and each of its direct and indirect Subsidiaries (each, a "Borrower"; collectively, the "Borrowers"), and the Lenders under and as defined in the Credit Agreement and **MCG FINANCE CORPORATION** ("Administrative Agent"), as the administrative agent for the Lenders. Capitalized terms and references used herein but not herein defined have the meanings ascribed to them in the Credit Agreement.

The undersigned, being an Authorized Officer of each Borrower, hereby delivers this Certificate to Administrative Agent on behalf of Borrowers and also hereby requests Lenders to advance the requested funds to Borrowers (or on behalf of Borrowers) in accordance with and in reliance upon the following instructions and certifications:

1. Requested Advance Amount: \$ _____
2. Requested Settlement Date: _____, 200__
3. Funding Instructions: _____

4. Intended Use of Funds: _____
5. _____

In connection with this Advance Request, I hereby represent and certify to Administrative Agent and each Lender on behalf of each Borrower as follows, which representations and certifications are true and correct as of the date of this Certificate and will be true and correct as of the Settlement Date (unless I otherwise notify Administrative Agent in writing prior to the Settlement Date):

- a. The amount of the requested Advance will not result in the aggregate outstanding balance under the Credit Agreement exceeding the Available Credit Portion.
- b. The representations and warranties set forth in the Credit Agreement are and will be true and correct in all material respects on and as of the date hereof and the Settlement Date, and the representations and warranties in each other Loan Document and other writing delivered to Administrative Agent pursuant to the Credit Agreement on or prior to this Advance Request and the Settlement Date herefor are and will be true and correct in all material respects on and as of the date hereof and the Settlement Date, except as set forth in the Schedules to the Credit Agreement or in a schedule hereto (which disclosure will not constitute Administrative Agent's or Lenders' waiver or acceptance thereof).
- c. No Default or Event of Default under the Credit Agreement and no default under any other Loan Document has occurred and is continuing as of the date hereof or as of the Settlement Date or will occur as a result of making the Advance requested hereby, except as set forth in a schedule hereto (which disclosure will not constitute Administrative Agent's or Lenders' waiver or acceptance thereof).
- d. There has been no Material Adverse Change with respect to any Borrower since the Closing Date.
- e. All conditions precedent for the type of Advance requested hereby under the Credit Agreement, as set forth in Article 2 thereof, have been satisfied and will continue to be satisfied as of the Settlement Date.

IN WITNESS WHEREOF, the undersigned Authorized Officer of each Borrower has executed this Certificate.

Signature: _____

Name and Title: _____

Date: _____

BIZNESSONLINE.COM, INC.**Credit Facility with MCG Finance Corporation****PERIODIC COMPLIANCE CERTIFICATE**

This periodic compliance certificate ("Certificate") has been prepared and is being delivered pursuant to the Credit Facility Agreement dated as of February __, 2000 (as amended from time to time, "Credit Agreement") by and among **BIZNESSONLINE.COM, INC., and each of its direct and indirect Subsidiaries** (each, a "Borrower"; collectively, the "Borrowers"), **and the Lender under and as defined in the Credit Agreement and MCG FINANCE CORPORATION** ("Administrative Agent"), as administrative agent for the Lenders. Capitalized terms and references used herein and not otherwise defined herein have the meanings ascribed to them in the Credit Agreement.

This Certificate is given, accurate and effective as of _____, 20__.

Having reviewed the terms and conditions of the Credit Agreement and having made a review of the transactions and conditions of each Borrower as of the effective date of this Certificate, the undersigned duly elected, qualified and acting _____ of each Borrower **HEREBY CERTIFIES** to each Lender and Administrative Agent as follows:

1. **Representations.** To the best of my knowledge (after due inquiry), each representation and warranty contained in the Credit Agreement and the other Loan Documents (including the schedules thereto) is true, correct and complete in all material respects on and as of the date hereof, except as disclosed on a schedule hereto (which disclosure will not constitute Administrative Agent's or Lender's waiver or acceptance thereof). Without limiting the generality of the foregoing, attached hereto (to the extent required under the Credit Agreement) are updated or revised versions of Schedules 3.5A, 3.8 and/or 3.9 to the Credit Agreement, which updated schedules clearly identify all newly incorporated revisions.
2. **No Default.** To the best of my knowledge (after due inquiry), there is no Default or Event of Default existing on the date hereof, except as disclosed on a schedule hereto (which disclosure will not constitute Administrative Agent's or Lender's waiver or acceptance thereof).
3. **No Material Change.** Between February __, 2000 (i.e., the "as of" date for the Credit Agreement) and the effective date hereof, there has not been any Material Adverse Change with respect to any Borrower, except as disclosed on a schedule hereto (which disclosure will not constitute Administrative Agent's or Lender's waiver or acceptance thereof).
4. **Financial Statements.** Attached hereto as **Exhibit 1** is a true, correct and complete set of financial statements of each Borrower for calendar month / fiscal quarter / fiscal year [select appropriate option] ending _____, 200_. Such financial statements fairly present the financial condition of each Borrower as of the date thereof and for the periods covered thereby. Such financial statements are otherwise consistent with the requirements of Section 4.2 of the Credit Agreement.

5. Financial Covenants and Ratios. Without limiting the generality of the foregoing, as of the effective date hereof (but using the financial statements reflecting operations of Borrowers as of the end of the most recent fiscal quarter, a copy of which are attached hereto), Borrowers (on a consolidated basis) are in compliance with each of the financial covenants and ratios under Section 4.1 of the Credit Agreement. Detailed calculations supporting this certification regarding each of the financial covenants and ratios under Section 4.1 of the Credit Agreement are set forth on **Schedule 1** hereto and/or attached hereto as **Exhibit 2**.

I understand that Administrative Agent and each Lender are relying on the truth and accuracy of the foregoing in connection with the Credit Agreement and other Loan Documents.

Name: _____

Title: _____

TERM LOAN NOTE

\$15,000,000

February __, 2000
Arlington, Virginia

This **TERM LOAN NOTE** (hereinafter, the "Note" or the "Term Loan Note") is executed and delivered under and pursuant to the terms of that certain Credit Facility Agreement dated as of February __, 2000 (as may be amended from time to time hereafter, the "Credit Agreement") by and among **BIZNESSONLINE.COM, INC.** and each of its direct and indirect **Subsidiaries** (including any successor or permitted assignee thereof, each, a "Borrower"; collectively, the "Borrowers"), and the **Lenders which are or which become parties to the Credit Agreement, and MCG FINANCE CORPORATION**, a Delaware corporation (including any successor, assignee, transferee, pledgee or participant thereof, "Administrative Agent" or, in its capacity as the Lender under this Note, "Payee Lender").

FOR VALUE RECEIVED, each undersigned Borrower (jointly and severally) hereby unconditionally promises to pay to the order of Payee Lender on or before the Term Loan Maturity Date, the principal sum of **FIFTEEN MILLION DOLLARS (\$15,000,000)** (as such amount may be increased from time to time in Lenders' sole and absolute discretion in accordance with the terms of the Credit Agreement), or such other amount as may have been advanced to or on behalf of Borrowers and is at the time outstanding hereunder or under the Term Loan Facility of the Credit Agreement, together with all accrued but unpaid interest thereon computed daily until paid at the varying rates per annum set forth in the Credit Agreement and all unpaid expenses, fees and other advances connected herewith.

The outstanding principal amount hereunder and under the Term Loan Facility will bear interest (computed daily until paid, whether prior to or after the Term Loan Maturity Date) that will be accrued, calculated imposed, due and payable in accordance with the terms of the Credit Agreement.

Repayments of principal, together with all accrued but unpaid interest on the outstanding balance under the Term Loan Facility, are due and payable in accordance with the terms of the Credit Agreement. On the Term Loan Maturity Date, Borrowers will pay Administrative Agent (for the ratable benefit of Payee Lender and the other Lenders and without necessity of notice or demand) the entire outstanding balance hereunder and under the Term Loan Facility, together with all accrued but unpaid interest hereunder and all fees, expenses and other advances connected herewith.

All payments (including prepayments) of principal, interest, fees and any other amounts due hereunder must be received by Administrative Agent in immediately available funds on or before Two O'clock (2:00) p.m. Eastern Time ("ET") on the due date therefor at the principal office of Administrative Agent at 1100 Wilson Boulevard, Suite 800, Arlington, Virginia 22209 or at such other place as Administrative Agent or any other holder of this Term Loan Note may at any time or from time to time designate in writing.

Whenever any payment to be made hereunder is due on a day that is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time will be included in the computation of interest due hereunder. Any funds received by Administrative Agent after 2:00 p.m. ET on any day will be deemed to be received on the next succeeding Business Day.

A default or breach of any term, condition or covenant under this Note will constitute a Default under the Credit Agreement, and an Event of Default under the Credit Agreement or any other Loan Document will constitute an immediate Event of Default under this Note. In addition, it shall also constitute an Event of Default hereunder if any Borrower fails to pay when due any payment of principal or interest or any other sum payable to Administrative Agent or any Lender under the Term Loan Facility and such failure continues for five (5) Business Days after the due date therefor. Upon the occurrence of any Event of Default hereunder and at any time thereafter (at the election of Administrative Agent, but with notice to a Borrower), Administrative Agent may declare all or any portion of the indebtedness of any or all Borrowers to Payee Lender (hereunder or otherwise, but including the unpaid balance of principal, interest and fees hereunder) to be immediately due and payable. Notwithstanding the foregoing, if the relevant Event of Default relates to the insolvency or bankruptcy of any Borrower, then such acceleration will occur automatically with respect to the entire indebtedness and without notice. Upon any such declaration, Administrative Agent and Lenders will have the immediate right to enforce and realize upon any guaranty and/or collateral security for the indebtedness hereunder in any manner or order that Required Lenders or Administrative Agent (at the direction of Required Lenders) deems expedient without regard to any equitable principles of marshalling or otherwise. In addition to any rights granted hereunder or in any documents delivered in connection herewith, Administrative Agent and Lenders will also have all other rights and remedies permissible under any applicable law (including the rights of a secured party under the Uniform Commercial Code), and all such rights and remedies will be cumulative in nature.

Upon the occurrence and during the existence of any Default or Event of Default hereunder or under the Credit Agreement, each Borrower (jointly and severally) hereby agrees (to the maximum extent not prohibited by applicable law) to pay to Administrative Agent (for the ratable benefit of Payee Lender and the other Lenders) (upon Administrative Agent's request) a default rate of interest as provided for in the Credit Agreement. In addition, if Administrative Agent does not receive any payments (of principal, interest, fees or other charges) in immediately available funds on or before the 5th Business Day after the due date therefor, then each Borrower (jointly and severally) hereby agrees (to the maximum extent not prohibited by applicable law) to pay to Administrative Agent (for the ratable benefit of Payee Lender and the other Lenders) (upon Administrative Agent's request) a late payment charge as provided for in the Credit Agreement.

If, after the occurrence of any Default under any Loan Document, counsel is retained to advise Administrative Agent or any Lender in connection therewith, to collect, compromise or settle the indebtedness evidenced hereby or to otherwise protect the security hereof, each Borrower (jointly and severally) agrees to pay (to the maximum extent not

prohibited by applicable law) reasonable fees and all other costs and expenses of such counsel incurred by Administrative Agent or such Lender.

Each Borrower hereby waives diligence, presentment, protest, demand for payment, notice of protest and non-payment, notice of dishonor, and any and all other notices or demands in connection with the delivery, acceptance, performance, default, acceleration or enforcement of this Term Loan Note. Each Borrower, in addition, hereby consents (without the necessity of prior notice) to any extensions of time, renewals, releases of any party hereto or guarantor hereof, waivers and/or modifications in connection herewith that may be granted or consented to by Administrative Agent from time to time. Each Borrower also waives any defenses and rights of discharge to its obligations hereunder that it may have or may hereafter acquire based on suretyship or impairment of collateral (including lack of attachment or perfection with respect thereto).

No delay on the part of Administrative Agent or any Lender in exercising any power or right hereunder will operate as a waiver thereof nor will any single or partial exercise of any power or right hereunder preclude other or further exercises thereof or the exercise of any other power or right. This Term Loan Note is binding on each Borrower and each Borrower's successors and assigns and is enforceable by Administrative Agent, Payee Lender and their successors, assigns, transferees and participants. If any term or provision of this Term Loan Note is held invalid, illegal or unenforceable, the validity of all other terms and provisions hereof will in no way be affected thereby.

Nothing contained in this Term Loan Note will require any Borrower to pay interest at a rate or any fee or expense in an amount prohibited by applicable law. If interest or any fee or expense payable to Administrative Agent on any date would be in a prohibited amount, such interest, fee or expense will be automatically reduced to an amount that is not prohibited, and interest or such fee or expense for subsequent periods, to the extent not prohibited, will be increased by the amount of such reduction until payment of the full amount of each such reduction. Any prohibited amount previously paid will be credited towards reduction of the outstanding principal balance.

Liability Waiver. Each Borrower (a) agrees that neither Administrative Agent nor any Lender (nor any director, officer, employee or agent of Administrative Agent or any Lender) shall have any liability to any Borrower (whether sounding in tort, contract or otherwise) for losses or costs suffered or incurred by any Borrower in connection with or in any way related to the transactions contemplated or the relationship established by this Note or any other Loan Document, or any act, omission or event occurring in connection therewith, except for foreseeable actual losses resulting directly and exclusively from Administrative Agent's or such Lender's own gross negligence, willful misconduct or fraud and (b) waives, releases and agrees not to sue upon any claim against Administrative Agent or any Lender (or their directors, officers, employees or agents) whether sounding in tort, contract or otherwise, except for claims for foreseeable actual losses resulting directly and exclusively from Administrative Agent's or such Lender's own gross negligence, willful misconduct or fraud. Moreover, whether or not such damages are related to a claim that is subject to the waiver effected above and whether or not such waiver is effective, neither Administrative Agent nor any Lender (nor any director, officer,

employee or agent of Administrative Agent or any Lender) shall have any liability with respect to (and each Borrower hereby waives, releases and agrees not to sue upon any claim for) any special, indirect, consequential, punitive or non-foreseeable damages suffered by any Borrower in connection with or in any way related to the transactions contemplated or the relationship established by any Loan Document, or any act, omission or event occurring in connection herewith or therewith.

Jurisdictional and Related Consents. Any litigation in connection with or in any way related to this Note, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of Administrative Agent, any Lender or any Borrower will be brought and maintained exclusively in the courts of the Commonwealth of Virginia or in the United States District Court for the Eastern District of Virginia; provided, however, that any suit seeking enforcement hereof against any Borrower, any Collateral or any other property may also be brought (at Administrative Agent's or such Lender's option) in the courts of any other jurisdiction where such Collateral or other property may be found or where Administrative Agent or such Lender may otherwise obtain personal jurisdiction over such Borrower. Each Borrower hereby expressly and irrevocably submits to the jurisdiction of the courts of the Commonwealth of Virginia and of the United States District Court for the Eastern District of Virginia for the purpose of any such litigation as set forth above and irrevocably agrees to be bound by any final and non-appealable judgment rendered thereby in connection with such litigation. Each Borrower further irrevocably consents to the service of process by registered or certified mail, postage prepaid, or by personal service within or outside the Commonwealth of Virginia. Each Borrower hereby expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter may have to the laying of venue of any such litigation brought in any such court referred to above and any claim that any such litigation has been brought in an inconvenient forum. To the extent that any Borrower has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) with respect to itself or its property, then such Borrower hereby irrevocably waives such immunity in respect of its obligations under this Note.

Jury Trial Waiver. Administrative Agent, each Lender and each Borrower each hereby knowingly, voluntarily and intentionally waives any rights it may have to a trial by jury in respect of any litigation (whether as claim, counter-claim, affirmative defense or otherwise) in connection with or in any way related to this Note or any of the Loan Documents or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of Administrative Agent, any Lender or any Borrower. Each Borrower acknowledges and agrees (a) that it has received full and sufficient consideration for this provision (and each other provision of each other Loan Document to which it is a party), and (b) that it has been advised by legal counsel in connection herewith, and (c) that this provision is a material inducement for Administrative Agent and each Lender entering into the Loan Documents and funding the Advance thereunder.

Payee Lender, and its successors or assigns, at any time and from time to time, may assign, participate and syndicate all or any part of its rights under this Term Loan Note pursuant to the terms of Section 10.2 of the Credit Agreement.

This Term Loan Note is the "Term Loan Note" referred to in, and arises out of, the Credit Agreement. The Credit Agreement contains, among other things, provisions for acceleration of the maturity hereof upon the occurrence of certain stated events and also for prepayments of the principal hereunder prior to the maturity hereof upon the terms and conditions specified therein. Payment of this Note is secured by various forms of property pledged and encumbered to Administrative Agent as Collateral pursuant to the Loan Documents.

In the event of any irreconcilable conflict between the terms and conditions of this Term Loan Note and the terms and conditions of the Credit Agreement or other Loan Documents, the terms and conditions of this Term Loan Note shall govern.

This Term Loan Note is governed by and is to be construed in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of law provisions thereof.

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IN WITNESS WHEREOF, each Borrower has caused this Term Loan Note to be executed in its name and on its behalf, as an instrument under seal (whether or not any such seals are physically attached hereto), on the day and year first written above.

ATTEST:

BIZNESSONLINE.COM, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

GLOBAL 2000 COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ALBANYNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

WEBWAY INTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ASCENT NETWORKING, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CYBERZONE, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CARAVELA SOFTWARE, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

NECANET, INC.

By: _____
Name: _____
Title: _____

ATTEST:

**PRIME COMMUNICATIONS
SYSTEMS, INC.**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

INFOBOARD, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

BORG INTERNET SERVICES, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ULSTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

**MASTER SECURITY AGREEMENT,
COLLATERAL ASSIGNMENT AND EQUITY PLEDGE**

THIS MASTER SECURITY AGREEMENT, COLLATERAL ASSIGNMENT AND EQUITY PLEDGE (as defined in Article 6 hereof, along with all other defined terms, this "Security Agreement") is made and effective as of February __, 2000, by **EACH "GRANTOR" THAT IS FROM TIME TO TIME LISTED ON SCHEDULE 1 HERETO OR OTHERWISE ADDED AS A SIGNATORY HERETO** (each, as more fully defined below, a "Grantor"; collectively, the "Grantors"), in favor of MCG FINANCE CORPORATION (including any successor, participant, assignee, pledgee or transferee thereof, "Administrative Agent"), as Administrative Agent for itself and the Lenders (as defined in the Credit Agreement referred to below).

RECITALS

WHEREAS, pursuant to that certain Credit Facility Agreement by and among Borrowers, Lenders and Administrative Agent dated as of February __, 2000 (as may be amended from time to time, "Credit Agreement"), each Grantor is required to have executed and delivered this Security Agreement encumbering all of each Grantor's tangible and intangible personal property assets in favor of Administrative Agent; and

WHEREAS, each Grantor has determined that it is in its best interest to execute this Security Agreement inasmuch as each Grantor will derive substantial direct and indirect benefits from the funding of the Advances by Lenders pursuant to the Credit Agreement;

NOW, THEREFORE, for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) and intending to be legally bound hereby, each Grantor and Administrative Agent hereby agree as follows:

**ARTICLE 1: SECURITY INTEREST, COLLATERAL ASSIGNMENT
AND PLEDGE**

1.1. Grant of Security. Each Grantor (as of the effective date of becoming a signatory hereto) hereby collaterally assigns and pledges to Administrative Agent, and hereby grants to Administrative Agent a present, absolute, unconditional and continuing security interest in, all of the following property, assets and equity interests, whether or not such property and assets are covered by Article 9 of the applicable UCC (collectively, and including all Pledged Collateral, "Collateral"):

a. Fixtures and Improvements -- All of such Grantor's fixtures and improvements to real property in all of its forms, including the following: all buildings, structures, furnishings, and all heating, electrical, lighting, power and air conditioning equipment, and all antennas, transmitters, receivers and related equipment, and all other equipment that under applicable law constitutes a

fixture, and all parts thereof and all accessions, additions, attachments, improvements, substitutions and replacements thereto and therefor (any and all of the foregoing being the "Fixtures"); and

b. Equipment (and Computer Hardware) -- All of such Grantor's equipment in all of its forms, including the following: all machinery, tools, motor vehicles, furniture and furnishings, and all antennas, transmitters, receivers and related equipment, all communications, telecommunications, switches and related equipment, and all computer and other electronic data processing hardware, integrated computer systems, central processing units, memory units, display terminals, printers, features, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories and all peripheral devices and other related computer hardware, and all documentation manuals and materials with respect to such hardware, and all rights with respect to all of the foregoing, including any and all licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications, and any model conversions of any of the foregoing, and all parts thereof and all accessions, additions, parts (including replacement parts), attachments, improvements, substitutions and replacements thereto and therefor (any and all of the foregoing being the "Equipment"); and

c. Inventory -- All of such Grantor's inventory in all of its forms, including the following: (1) all raw materials and work in process therefor, finished goods thereof, and materials used or consumed in the preparation, manufacture, creation or production thereof, and (2) all goods in which any Grantor has an interest in mass or a joint or other interest or right of any kind (including goods in which any Grantor has an interest or right as consignee), and (3) all goods which are returned to or repossessed by any Grantor, and in each instance all accessions thereto, products thereof and documents therefor (any and all of the foregoing being the "Inventory"); and

d. Receivables, Accounts, Contracts, Money, Instruments, Chattel Paper and Related Documents -- All of such Grantor's accounts, receivables, cash collateral accounts, lock box accounts, other deposit accounts, security deposits, advance payments, contracts, contract rights, leases, licenses, insurance policies, chattel paper, documents, instruments (whether or not negotiable), money, general intangibles and other obligations of any kind, and whether or not arising out of or in connection with the sale or lease of goods or the rendering of services (any and all of the foregoing being the "Contract Rights"), and all rights of any Grantor in and to all agreements, security agreements, guaranties, leases and other contracts securing or otherwise relating to any such Contract Rights (any and all such security agreements, guaranties, leases and other contracts being the "Related Contracts"); and

e. Intellectual Property -- Without limiting any of the foregoing, all of such Grantor's intellectual and information related property, rights and assets, including the following (collectively, "Intellectual Property Collateral"):

1. Computer Software and Data -- (a) All software programs and data bases (including source code, object code and all related applications and data files) owned, licensed or leased by any Grantor, and (b) all firmware associated therewith or with any of the Equipment, and (c) all documentation and materials (including all flow charts, logic diagrams, algorithms, manuals, guides, instructions, indices, abstracts and specifications) with respect to such software and

firmware, and (d) all rights with respect to all of the foregoing, including any and all copyrights, trademarks, licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications, and any substitutions, replacements, additions or model conversions of any of the foregoing (collectively, "Computer Software Collateral"), and

2. Copyrights -- All copyrights of such Grantor in each work or authorship and derivative works thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, whether statutory or common law, registered or unregistered, throughout the world, including all of such Grantor's right, title and interest in and to all copyrights registered in the United States Copyright Office or anywhere else in the world, and all applications for registration thereof, whether pending or in preparation, and all copyright licenses, and further including the right to sue for past, present and future infringements of any thereof, all rights corresponding thereto throughout the world, and all goodwill associated therewith, all extensions, continuations and renewals of any thereof, and all proceeds of the foregoing, including licenses, fees, royalties, income, payments, claims, damages and proceeds of suit (collectively, "Copyright Collateral"), and

3. Patents -- All patents and like protections, including all improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, and all applications for registration thereof, whether pending or in preparation, all patent licenses, the right to sue for past, present and future infringements of any thereof, all rights corresponding thereto throughout the world, and all goodwill associated therewith, all extensions, continuations and renewals of any thereof, and all proceeds of the foregoing, including licenses, fees, royalties, income, payments, claims, damages and proceeds of suit (collectively, "Patent Collateral"), and

4. Trademarks -- (a) All trademarks, service marks, trade names, corporate names, company names, business names, operating names, domain names, fictitious business names, trade styles, certification marks, collective marks, call signs, logos, other source of business identifiers, prints, labels and goods on which any of the foregoing appear or have appeared, designs (including product designs) and general intangibles of a like nature (any and all of the foregoing being the "Trademarks"), anywhere in the world, whether registered or not and whether currently in use or not, all registrations and recordings thereof and all applications to register the same, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, and (b) all Trademark licenses, and (c) all reissues, extensions or renewals of any of the foregoing, and (d) all of the goodwill of the business connected with the use of, and symbolized by, the items described in the foregoing, and (e) all proceeds, fees, royalties, income or payments of, and rights associated with, the foregoing, including any claim by any Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license (collectively, "Trademark Collateral"), and

5. Trade Secrets -- All common law and statutory trade secrets and all other confidential or proprietary or useful information and all know-how obtained by or used in or contemplated at any time for use in any Grantor's business (any and all of the foregoing being the

"Trade Secrets"), whether or not such Trade Secret has been reduced to a writing or other tangible form, including all documents and things embodying, incorporating or referring in any way to such Trade Secrets, all Trade Secret licenses, and including the right to sue for and to enjoin and to collect damages for the actual or threatened misappropriation of any Trade Secret and for the breach or enforcement of any such Trade Secret license (collectively, "Trade Secret Collateral"); and

f. Publication, Programming and Production-Related Property -- Without limiting any of the foregoing, all of such Grantor's right, title, interest and benefits in, to and under (a) all books, writings, journals, articles and publications, and (b) all customer, subscriber, prospect, inquiry, circulation, marketing, advertising, publicity, promotional and programming files, lists, records, documents, contracts and agreements, including all files, lists and records of active, expired, prospective, trial and conditional customers and subscribers, and all files, lists and records of current, former and prospective advertisers, and all internally generated, purchased and rented mailing lists (but only to the extent of any Grantor's rights therein), and all promotional letters, catalogues, flyers, reply cards, sales materials, promotional materials, sample mailing pieces, artwork, drawings, advertising materials, space advertising and any similar materials, and (c) all publication rights, programming rights, editorial rights, promotional rights, advertising rights, licensing rights, distribution and redistribution rights, and printing and reprinting rights (and any and all agreements, contracts, documents and materials in any way governing or relating to any of the foregoing rights), and (d) all editorial, publishing, programming, manufacturing, prepublication and post-publication, royalty, sales, pricing, cost and promotional files, lists, records and documents, and (e) all indices, abstracts, compilations, summaries, glossaries and archives of or for any of the foregoing items, and (f) all other information and property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to, any of the foregoing property identified in this clause or elsewhere in this Section 1.1 and regardless of whether such property is embodied in a tangible or intangible medium; and

g. Licenses and Authorizations -- Without limiting any of the foregoing, all of such Grantor's right, title, interest and benefits in, to and under all present and future Licenses, Authorizations and other rights for the construction, development, operation and ownership of its business and properties including, without limitation, any Licenses and Authorizations issued by the Federal Communication Commission ("FCC") or any state public utilities commission ("State PUC") (but only to the extent that and only during such time as it is not unlawful to grant and enforce a security interest therein), and all proceeds of such Licenses, Authorizations and other rights, and all rights of such Grantor in and to all agreements, security agreements, guaranties, leases and other contracts securing or otherwise relating to any such Licenses, Authorizations and other rights; and

h. Other General Intangibles -- Without limiting any of the foregoing, all of such Grantor's right, title, interest and benefits in, to and under all other general intangibles, wherever arising, including the following: (a) all corporate, partnership, limited liability company and joint venture investments and other interests in and to any other entity (including all ownership rights and interests in such Grantor's subsidiaries, whether or not such rights and interests are certificated), and the proceeds and general intangibles related thereto (including all dividends, distributions, capital accounts and proceeds thereof), and (b) all leasehold interests (whether as lessee or as lessor) and all related rights thereunder and proceeds thereof, and (c) all tax refunds and other refunds or rights to

receive payment from U.S. federal, state, or local governments or from foreign governments, whether or not arising out of or in connection with the sale or lease of goods or the rendering of services, and (d) all settlements, judgments and other awards (whether or not resulting from judicial or arbitration proceedings) and all tort and contract claims and causes of action; and all rights of such Grantor in and to all security agreements, guaranties, leases and other contracts securing or otherwise relating to any such general intangibles; and

i. Securities and Investment Property -- Without limiting any of the foregoing, all of such Grantor's right, title, interest and benefits in, to and under all stocks, options, warrants, bonds, and other securities, security entitlements, securities accounts, financial assets and other investment property (including all such securities representing ownership in such Grantor's subsidiaries), and the proceeds and general intangibles related thereto (including all dividends and distributions); and

j. Other General Property -- All of such Grantor's other property and rights of every kind and description and interests therein; and

k. Products and Proceeds -- All products, offspring, rents, issues, profits, returns, refunds, income and proceeds of and from any and all of the foregoing Collateral, including the following: all proceeds of the Licenses and Authorizations, all proceeds that constitute property of the types described in this Section 1.1, all proceeds deposited from time to time in any lock boxes of any Grantor, and, to the extent not otherwise included, all payments, unearned premiums and cash or surrender value under insurance policies (whether or not Administrative Agent or any Lender is a loss payee or additional insured thereof), and any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to any of the foregoing Collateral;

in each instance (whether or not expressly specified above), wherever located, and whether now existing, owned, leased or licensed or hereafter acquired, leased, licensed, arising, developed, generated, adopted or created for or by any Grantor, and howsoever any Grantor's interest therein may arise or appear (whether by ownership, security interest, claim or otherwise).

1.2. Security for Secured Obligations. This Security Agreement secures the payment and performance in full of (a) all obligations (monetary or otherwise) of each Borrower and each other Obligor now or hereafter existing under the Credit Agreement or any other Loan Document as well as under any other agreement with Administrative Agent or any Lender to extend credit to any Obligor or to any Affiliate of any such Obligor (whether for principal, interest, costs, fees, expenses, protective advances or otherwise), and (b) all obligations (monetary or otherwise) of any Grantor now or hereafter existing under this Security Agreement or any other Loan Document (all such obligations under Clauses "(a)" and "(b)" being referred to collectively as the "Secured Obligations").

1.3. Continuing Security Interest; Assignment; Termination. This Security Agreement creates a continuing security interest in and collateral assignment and pledge of the Collateral and will remain in full force and effect until terminated as described below in this Section. This Security Agreement is binding upon each Grantor and its successors, transferees and assignees, and (together with the rights and remedies of Administrative Agent hereunder) inures to the benefit of

Administrative Agent and its successors, transferees, participants and assignees. Without limiting the generality of the foregoing, except to the extent restricted under the Credit Agreement, Administrative Agent and each Lender may assign, syndicate, participate or otherwise transfer (in whole or in part, and without any Grantor's consent) any Loan Document and any indebtedness thereunder to any other Person, and such other Person or entity will thereupon become vested with all the rights and benefits in respect thereof granted to Administrative Agent or such Lender under any such Loan Document (including this Security Agreement) or otherwise, subject, however, to any contrary provisions in such assignment or transfer. The security interest, collateral assignment and pledge granted herein will terminate (and all rights to the Collateral will revert to Grantors) upon satisfaction of the following conditions: (a) payment and performance in full of all Secured Obligations (unconditionally and indefeasibly) and (b) the termination of the Credit Agreement (and the Facilities thereunder). Upon any such termination, Administrative Agent (at Grantors' request and sole expense) (a) will execute and deliver to a Grantor (without any representation, warranty or recourse of any kind whatsoever) such documents as such Grantor may reasonably request and provide to Administrative Agent to evidence such termination, and (b) will deliver to a Grantor or to another Person that Administrative Agent reasonably believes may be entitled thereto (without any representation, warranty or recourse of any kind whatsoever) all stock certificates and instruments representing or evidencing Collateral being physically held by Administrative Agent hereunder.

1.4. Security Interest Absolute. All rights of Administrative Agent and Lenders and the security interests, collateral assignments and pledges granted, assigned and pledged to Administrative Agent hereunder, and all obligations of each Grantor hereunder, are absolute and unconditional, irrespective of the occurrence of any one or more of the following:

- a. Any lack of validity or enforceability of any Loan Document; or
- b. The failure of Administrative Agent or any Lender or any holder of any Note:
 - 1. To assert any claim or demand or to enforce any right or remedy under the provisions of any Loan Document or otherwise, or
 - 2. To exercise any right or remedy against any other Obligor of, or any collateral securing, any obligations of any Borrower owing to any Lender; or
- c. Any change in the time, manner or place of payment of, or in any other term of, any Secured Obligation; or
- d. Any other extension, increase, refinancing, restructuring, compromise or renewal of any Secured Obligation; or
- e. Any reduction, limitation, impairment or termination of any Secured Obligation for any reason, including any waiver, release, surrender, alteration or compromise; or

- f. Any amendment to, rescission, waiver, or other modification of, or any consent to departure from, the terms of any Loan Document; or
- g. Any addition, exchange, release, surrender or nonperfection of any collateral (including the Collateral), or any amendment to or waiver or release of or addition to or consent to departure from any guaranty, for any Secured Obligation; or
- h. Any other circumstances which might otherwise constitute a defense available to, or a legal or equitable discharge of, any Grantor or its obligations hereunder, including, without limitation, any and all suretyship defenses.

Each Grantor hereby waives any right to or any claim of any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of any invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligation.

1.5. Equity Pledge.

a. Grant of Security Interest. Pursuant to Section 1.1, without limiting the generality thereof, each Grantor pledges, hypothecates, assigns, charges, mortgages, delivers, and transfers to Administrative Agent and grants to Administrative Agent a present, absolute, unconditional and continuing security interest in all of the following property (collectively, "Pledged Equity Collateral"):

- 1. All Pledged Equity currently owned by such Grantor; and
- 2. All Pledged Equity issued from time to time hereafter to such Grantor; and
- 3. All other Pledged Equity Property (including, all options and warrants for Pledged Equity) owned by such Grantor, whether now or hereafter delivered to Administrative Agent in connection with this Security Agreement; and
- 4. All Dividends, Distributions, capital accounts, and other payments and rights with respect to any Pledged Equity Property received or receivable by such Grantor; and
- 5. All proceeds of any of the foregoing; and

in each case, whether now existing or owned or hereafter acquired by such Grantor and howsoever such Grantor's interest therein may arise or appear (whether by ownership, security interest, claim or otherwise).

b. Delivery of Pledged Equity Property. To the extent that any of the Collateral is evidenced by a certificate or instrument, then all such certificates or instruments (a) must be

delivered to and held by or on behalf of Administrative Agent pursuant hereto, and (b) must be in suitable form for transfer by delivery, and (c) must be accompanied by all necessary powers, appointments and instruments of transfer or assignment, duly executed in blank.

c. Dividends and Distributions on Pledged Shares. Except as otherwise provided in the Credit Agreement, all Dividends, Distributions, non-Dividend cash payments, and proceeds thereof paid or payable to any Grantor must be paid directly to Administrative Agent (properly endorsed if required hereby or requested by Administrative Agent) as additional Collateral hereunder, unless and until Administrative Agent has terminated this Security Agreement as provided in Section 1.3. All Dividends, Distributions, cash payments, and proceeds that at any time and from time to time may be delivered to any Grantor but which such Grantor is then obligated to deliver to Administrative Agent, until delivery to Administrative Agent, must be held by such Grantor (a) in trust for Administrative Agent and (b) separate, segregated and apart from its other property.

1.6. Collateral Assignment of Contracts.

a. Grant of Security Interest. Pursuant to Section 1.1, without limiting the generality thereof, each Grantor collaterally assigns to Administrative Agent all of such Grantor's right, title and interest in and to all of such Grantor's contracts, licenses, leases and other agreements and all rights, interests, powers, privileges and other benefits thereunder (including the rights to receive all proceeds and payments under each such contract, license, lease and other agreement). This assignment of each contract, license, lease and other agreement constitutes a fully perfected, absolute, unconditional and present assignment, provided, however, that prior to the occurrence of an Event of Default, such Grantor may exercise any rights and powers under and may receive all payments and enjoy all other benefits of each such contract, license, lease and other agreement, subject to the terms and provisions of this Security Agreement and the other Loan Documents.

b. Administrative Agent's Right to Cure. Administrative Agent shall have the right (but not the obligation) to cure or remedy any breach or default under any contract, license, lease or other agreement on the part of any Grantor. The exercise by Administrative Agent of any of its rights hereunder will not release any Grantor from any of its duties or obligations under any such contracts, licenses, leases or other agreements included in the Collateral. Neither Administrative Agent nor any Lender has any obligation or liability under any such contracts, licenses, leases or other agreements included in the Collateral by reason of this Security Agreement, nor is Administrative Agent or any Lender obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

1.7. Collateral Interest in Certain Intellectual Property. Notwithstanding the language of Section 1.1, Administrative Agent's interest in Copyrights, Patents and Trademarks (and any applications therefor) is as a security interest and pledge and not as an absolute assignment.

1.8. Restrictions on Granting Security Interests and Collateral Assignments. Notwithstanding the terms of this Security Agreement, the collateral assignment of and security interest in a Grantor's interests in contracts, licenses, leases and other agreements shall not apply to

any contract, license, lease or other agreement to the extent that each of the following characteristics are satisfied with respect thereto: (a) it either (i) exists on the Closing Date, or (ii) is a Material Contract entered into after the Closing Date in accordance with the standards under Section 5.16 of the Credit Agreement, or (iii) is not a Material Contract, and (b) its existence has been disclosed to the Administrative Agent to the extent it is a Material Contract, and (c) it expressly prohibits the granting of a security interest in or the collateral assignment of such Grantor's interest therein, and (d) such prohibition is enforceable under applicable law.

ARTICLE 2: REPRESENTATIONS AND WARRANTIES

Each Grantor hereby represents and warrants to Administrative Agent as set forth in this Article.

2.1. Location of Collateral. Except as identified on Schedule 2.1, all of the Equipment and Inventory of each Grantor is located at the address set forth below the name of such Grantor on the signature page hereof. Except as identified on Schedule 2.1, within the four months preceding the date of this Security Agreement, none of the Equipment or Inventory has been located at any place other than at such address. The principal places of business and chief executive office of each Grantor and the offices where each Grantor keeps its records concerning the Contract Rights and Related Contracts are located at the address identified on Schedule 2.1.

2.2. Operating Names. Except as identified on Schedule 2.2, during the preceding 12 years, no Grantor has been (a) operating under or known by any legal or trade name different from the one set forth on the signature page hereto or (b) the subject of any merger or other corporate reorganization.

2.3. Ownership; No Liens. Except as identified on Schedule 2.3, Grantors are the sole and exclusive owners of or have the irrevocable, exclusive and transferable right to possess and use the Collateral, and Grantors have full authority to pledge, assign and grant a security interest in the Collateral. The Collateral is free and clear of any Lien except (a) the security interest, collateral assignment and pledge created by this Security Agreement and (b) as otherwise permitted by the Credit Agreement. No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is on file in any recording office, except (1) financing statements and intellectual property security agreements filed in favor of Administrative Agent relating to this Security Agreement and (2) such other financing statements and instruments as identified on Schedule 2.3.

2.4. Government Contracts. Except as identified on Schedule 2.4, no Grantor is a party to any Federal, state or local government contract (either domestic or foreign).

2.5. Negotiable Documents, Instruments, Certificated Securities and Chattel Paper. Contemporaneously with the execution hereof, each Grantor has delivered to Administrative Agent possession of all originals of all negotiable documents, certificated securities, instruments and chattel paper (other than checks received in the ordinary course of business) currently owned or held by such Grantor (duly endorsed in blank, if requested by Administrative Agent).

2.6. Intellectual Property Collateral. With respect to each item of Intellectual Property Collateral:

a. Such Intellectual Property Collateral is subsisting, valid and enforceable, and to each Grantor's knowledge (after due inquiry), such Intellectual Property Collateral has not been adjudged invalid or unenforceable, in whole or in part.

b. To each Grantor's knowledge (after due inquiry), no claim has been made that the use of any Intellectual Property Collateral does or may violate the asserted rights of any third party.

c. Each Grantor has performed all acts and has paid all required fees and taxes to maintain each and every item of its Intellectual Property Collateral in full force and effect throughout the world, as applicable, except where such fees and taxes are being contested in good faith with diligent prosecution.

d. Each Grantor owns directly, or is entitled to use by license or otherwise, all Patents, Trademarks, Trade Secrets, Copyrights, licenses, technology, know-how, processes and rights with respect to any of the foregoing used in, necessary for or of importance to the conduct of such Grantor's business. To the extent any such Intellectual Property Collateral was developed or created for or on behalf of any Grantor as a "work for hire," then such Grantor has obtained a waiver of any rights herein by the author or creator hereof.

2.7. As to Pledged Shares. With respect to any Pledged Equity constituting Collateral, all of such Pledged Equity is duly authorized and validly issued, fully paid, and non-assessable. The Pledged Equity constitutes all of the issued and outstanding shares (and other rights) of equity ownership of each Pledged Equity Issuer owned by any Grantor.

2.8. Valid and Perfected Security Interest. This Security Agreement creates a valid security interest in and collateral assignment and pledge of the Collateral and proceeds thereof securing the payment of the Secured Obligations. All filings and other actions necessary or desirable to perfect and protect such security interest, collateral assignment and pledge have been duly taken or will be duly taken as of the effective date hereof. Schedule 2.8 (a) lists each filing (including filing locations and "debtor" names) that is necessary or appropriate to perfect the security interests, collateral assignments and pledges created hereby (including with respect to Intellectual Property Collateral), and (b) identifies the items of Collateral that must be delivered to or possessed by Administrative Agent to perfect Administrative Agent's interest hereunder. Upon perfection (as described in this Section), such security interest, collateral assignment and pledge will be of a first priority ranking except as and to the extent noted in Section 2.3 (or on the corresponding schedule thereto).

2.9. Authorization and Approval. Except as noted in Section 2.8 (or on the corresponding schedule thereto), no authorization, approval or other action by (and no notice to or filing with) any Official Body or other Person is required either (a) for the grant by any Grantor of the security interest, collateral assignment and pledge granted hereby, or (b) for the execution, delivery and performance of this Security Agreement by any Grantor, or (c) for the perfection by Administrative Agent of its rights and interests hereunder, or (d) except as provided in Section 5.9(d), for the exercise by Administrative Agent of its rights and remedies hereunder.

2.10. Compliance with Laws and Contracts. Each Grantor is (and after execution and delivery of the Loan Documents to which such Grantor is a party, such Grantor will be) in compliance in all material respects with the requirements of all applicable laws, rules, regulations, policies, orders and decrees of every Official Body and with all contractual restrictions, in either instance the non-compliance with which individually or in the aggregate could reasonably be expected to have or cause a Material Adverse Effect.

2.11. Validity of Obligations. This Security Agreement constitutes the legal, valid and binding obligation of each Grantor and is enforceable against each Grantor in accordance with the terms hereof.

2.12. Solvency; Fraudulent Transfers. No Grantor is "insolvent," as such term is defined in Section 101(32) of the Bankruptcy Code (11 U.S.C. § 101(32)). No Grantor, by virtue of its obligations and actions in connection with the Loan Documents, has engaged or is engaging in any transaction that constitutes a fraudulent transfer or fraudulent conveyance under applicable federal or state law (including under Section 548 of the Bankruptcy Code or under the Uniform Fraudulent Transfer Act or the Uniform Fraudulent Conveyance Act).

ARTICLE 3: COVENANTS

Each Grantor covenants and agrees that, so long as this Security Agreement remains effective, each Grantor will comply with the covenants set forth in this Article, unless Administrative Agent otherwise consents in writing.

3.1. As to Equipment and Inventory.

a. Except as permitted by Section 5.14 of the Credit Agreement, each Grantor will keep all the Equipment and Inventory (other than Inventory and Equipment sold in the ordinary course of business or as otherwise permitted by the Credit Agreement) at the places therefor specified in Section 2.1 or (upon prior written notice to Administrative Agent of at least 30 calendar days) at such other places in a jurisdiction where all of the representations and warranties in Article 2 at that time will be true and correct. Each Grantor will take all actions necessary to ensure the continued perfection of Administrative Agent's interest in such Equipment and Inventory.

b. Each Grantor will maintain and preserve the Equipment in the same condition, repair and working order as when new (ordinary wear and tear excepted) and in all material respects

in accordance with all manufacturer's manuals. Each Grantor will forthwith (or, in the case of any loss or damage to any Equipment, as quickly as practicable after the occurrence thereof) make or cause to be made all repairs, replacements and other improvements in connection with the Equipment that are necessary or desirable to maintain the Equipment in accordance with the standard set forth in this Section. Each Grantor will promptly furnish to Administrative Agent a statement respecting any loss or damage to any of the Equipment.

c. Each Grantor will pay promptly before delinquent all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (whether for labor, materials or supplies) against, the Equipment and Inventory, except to the extent the validity thereof is being contested in good faith by appropriate proceedings diligently prosecuted and for which adequate reserves in accordance with GAAP have been set aside.

3.2. As to Contracts and Related Rights.

a. Each Grantor will keep its principal place of business and chief executive office and the office where it keeps its records concerning the Contract Rights and Related Contracts, and all originals of all chattel paper which evidence Contract Rights, located at the places therefor specified in Section 2.1 or (upon prior written notice to Administrative Agent of at least 30 calendar days) at such other places in a jurisdiction where all of the representations and warranties in Article 2 at that time will be true and correct. Each Grantor will take all actions necessary to ensure the continued perfection of Administrative Agent's interest in the Contract Rights and Related Contracts. No Grantor will change its name except upon prior written notice to Administrative Agent of at least 30 calendar days. Each Grantor will hold and preserve such records and chattel paper concerning the Contract Rights and Related Contracts and will permit representatives of Administrative Agent or any Lender at any time during normal business hours to inspect and make abstracts from such records and chattel paper.

b. Each Grantor will remain liable under the contracts, licenses, leases and other agreements included in the Collateral to the extent set forth therein. Without limiting the foregoing, unless a Grantor otherwise receives Administrative Agent's prior written consent (which consent will not be unreasonably withheld while no Default is occurring), then such Grantor (a) will faithfully abide by, perform and discharge each and every material obligation, covenant and agreement under each Material Contract (as such term is defined in the Credit Agreement) to be performed by such Grantor, and (b) will not materially amend, modify or otherwise alter the terms of any Material Contract (including the term or duration thereof or the amount of or methodology for calculating the compensation due thereunder), and (c) will not assign its rights under any Material Contract, and (d) will not accept (and will not take any action to cause) a surrender, termination, revocation or cancellation of any Material Contract unless replaced by a substantially similar contractual relationship reasonably acceptable to Administrative Agent, and (e) will enforce the performance of each and every material obligation, covenant and condition of each Material Contract to be performed by the other parties thereto, and (f) will appear in and defend any action or proceeding arising under or in any manner connected with any Material Contract.

c. Each Grantor will give prompt written notice to Administrative Agent of the occurrence of any default, breach or other material event, condition or circumstance relating to any

of such Grantor's Material Contracts (together, if applicable, with a true and complete copy of any related written notice that such Grantor may have given to or received from any other party thereto).

3.3. As to Pledged Equity Collateral.

a. Powers and Appointments. Each Grantor agrees that all Pledged Equity (and all other equity ownership interests constituting Pledged Equity Collateral) delivered by any Grantor pursuant to this Security Agreement will be accompanied by duly executed undated blank powers, appointments or other equivalent instruments of transfer acceptable to Administrative Agent. From time to time at Administrative Agent's request, each Grantor will promptly deliver to Administrative Agent such powers, appointments, instruments and similar documents (satisfactory in form and substance to Administrative Agent) with respect to the Collateral. From time to time at Administrative Agent's request after the occurrence of any Event of Default, each Grantor will promptly transfer any Pledged Equity or other shares of capital stock or ownership interests constituting Collateral into the name of any nominee designated by Administrative Agent.

b. Continuous Pledge; Protect Pledged Equity Collateral. At all times, each Grantor will keep pledged to Administrative Agent pursuant hereto all Pledged Equity, all other Pledged Collateral, all Dividends and Distributions with respect thereto (subject, however, to Section 1.5.c), and all other securities, instruments, proceeds, capital accounts, and rights from time to time received by or distributable to any Grantor in respect of any Pledged Equity Collateral. Each Grantor will warrant and defend the right and title herein granted to Administrative Agent in and to the Pledged Equity Collateral (and all right, title, and interest represented by the Pledged Equity Collateral) against the claims and demands of all persons whomsoever.

c. Delivery of Dividends, Distributions and Other Collateral. Except as provided in the Credit Agreement, promptly upon receipt and without any request by Administrative Agent, each Grantor agrees to deliver to Administrative Agent (properly endorsed if required hereby or requested by Administrative Agent) all Distributions, all Dividends (subject, however, to Section 1.5.c), all other non-Dividend cash payments, and all proceeds thereof, all of which will be held by Administrative Agent as additional Pledged Equity Collateral. All Dividends, Distributions, cash payments, and proceeds that at any time and from time to time may be delivered to any Grantor but which such Grantor is then obligated to deliver to Administrative Agent, until delivery to Administrative Agent, must be held by such Grantor (a) in trust for Administrative Agent and (b) separate, segregated and apart from its other property.

d. Voting Rights.

1. Unless and until an Event of Default has occurred and is continuing, each Grantor will have the exclusive right to exercise all voting rights with respect to its Pledged Equity. Upon written request from a Grantor (and at such Grantor's sole expense), Administrative Agent will promptly execute and deliver such proxies and other documents, if any, as reasonably requested in writing by such Grantor (together with a reasonably acceptable form thereof) that are necessary to allow such Grantor to exercise voting power with respect to any such Pledged Equity owned by such Grantor constituting Pledged Equity Collateral; provided, however, that no vote may be cast or other action taken by any Grantor (including, the giving of any consent, waiver, or

ratification) that could impair any Pledged Equity Collateral or would otherwise be inconsistent with or violate any provision of any Loan Document (including this Security Agreement).

2. After any Event of Default has occurred and is continuing and Administrative Agent has notified any Grantor of Administrative Agent's intention to exercise its voting power, unless otherwise then expressly impermissible under applicable law, Administrative Agent may exercise (to the exclusion of each Grantor) the voting power and all other incidental rights of ownership with respect to any Pledged Equity or other ownership interests constituting Pledged Equity Collateral. Each Grantor hereby grants Administrative Agent an irrevocable proxy, exercisable under such circumstances, to vote the Pledged Equity and such other Pledged Equity Collateral. Each Grantor hereby covenants to promptly deliver to Administrative Agent such additional proxies, appointments and other documents as may be necessary to allow Administrative Agent to exercise such voting power and other incidental ownership rights.

3.4. As to Intellectual Property Collateral.

a. No Grantor (1) will fail to maintain (in a manner consistent with its historical practices) the quality of products and services offered under all of the Trademark Collateral, or (2) will fail to employ with all of the Trademark Collateral (whether or not registered with any Official Body) an appropriate notice of such trademark, or (3) will fail to employ with all of the Copyright Collateral an appropriate notice of such copyright, or (4) will fail to employ with any Patent Collateral registered with the U.S. Patent and Trademark Office, or in a foreign country, an appropriate notice of such registration.

b. No Grantor will do or permit any act (or knowingly omit to do any act) whereby any of the Intellectual Property Collateral may lapse or become abandoned, forfeited, invalid, dedicated to the public or unenforceable (except upon expiration of the end of an unrenewable term of a registration thereof) without the prior written consent of Administrative Agent (which consent will not be unreasonably withheld while no Default is occurring).

c. Each Grantor will promptly notify Administrative Agent if such Grantor believes (or has reason to believe) that (1) any application or registration relating to any material item of the Intellectual Property Collateral may become abandoned, dedicated to the public, placed in the public domain, invalid or unenforceable, or (2) there has been or will be an adverse determination or development (including the institution of, or any determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any other Official Body) regarding such Grantor's ownership of any material item of the Intellectual Property Collateral, its right to register the same, or its right to keep, maintain and enforce the same.

d. If any Grantor files an application for the registration of any Intellectual Property Collateral with the United States Patent and Trademark Office, the United States Copyright Office or any other Official Body, then such Grantor must notify Administrative Agent thereof within 30 calendar days thereafter, and upon request of Administrative Agent, must promptly execute and deliver any and all agreements, instruments, documents and papers that Administrative Agent may request to evidence Administrative Agent's security interest in such Intellectual Property Collateral.

e. Each Grantor will perform all acts and will pay all required fees and taxes (including in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any other Official Body) to maintain each and every item of Intellectual Property Collateral in full force and effect throughout the world and to pursue any application filed with respect to the Intellectual Property Collateral, including the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, and interference and cancellation proceedings.

f. Upon any Grantor's acquiring any Intellectual Property Collateral the acquisition of which must be recorded in order to perfect such Grantor's interest therein, then such Grantor will promptly record its interest therein and will notify Administrative Agent thereof within 30 calendar days thereafter.

g. Each Grantor (1) will protect, defend and maintain the validity and enforceability of the Intellectual Property Collateral, and (2) will use its best efforts to detect infringements of the Intellectual Property Collateral and promptly notify Administrative Agent in writing of material infringements detected.

h. Each Grantor, on a continuing basis, will register such Grantor's Trademarks, pursue patent protection for such Grantor's inventions, and register the most recent versions of any of such Grantor's Copyrights.

i. No Grantor will enter into any agreement that would materially impair or conflict with such Grantor's obligations hereunder with respect to its Intellectual Property Collateral. No Grantor will permit the inclusion in any material contract to which it becomes a party any provisions that could in any way prevent the creation of a security interest in such Grantor's rights and interest in any property included within the definition of the Intellectual Property Collateral acquired or licensed under such contracts. No Grantor will arrange for the creation or development of any Intellectual Property Collateral as a "work for hire" without concurrently obtaining a waiver of all rights therein by the author or creator thereof.

j. Each Grantor will promptly notify Administrative Agent in writing upon obtaining knowledge of any event that materially adversely affects (1) the value of any material Intellectual Property Collateral, or (2) the ability of such Grantor to dispose of any material Intellectual Property Collateral, or (3) the rights and remedies of Administrative Agent in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral.

k. Each Grantor, on a continuing basis, will make, execute, acknowledge and deliver, and will file and record in the proper filing and recording places in the United States, all such instruments, collateral agreements and filings (including all appropriate financing and continuation statements) with the United States Patent and Trademarks Office and the Register of Copyrights, and will take all such action as Administrative Agent may reasonably deem to be necessary or advisable to perfect or protect Administrative Agent's security interest in all Intellectual Property Collateral and otherwise to carry out the intent and purpose of this Security Agreement, or for assuring and

confirming to Administrative Agent the grant or perfection of a security interest in all Intellectual Property Collateral.

3.5. As to Customer and Material Business Records and Computer Software.

a. Upon Administrative Agent's request, each Grantor (at its cost and expense) will maintain at a separate location a duplicate current copy of (1) all lists, files and records of active and prospective customers and subscribers, and (2) all material computer software and data bases (including all material application and operating system software and all material data files and operating manuals), and (3) all other material business files, records and software that Administrative Agent may reasonably request in writing from time to time. Unless Administrative Agent otherwise consents, such records, materials and information must be kept (at Grantors' election) either with Administrative Agent or with an unrelated business that is engaged in the business of storing such items and that is reasonably acceptable to Administrative Agent. For purposes of this Clause, such records, materials and information will be considered "current" if they were accurate and complete within the immediately preceding 30 calendar days.

b. If any Grantor elects to keep such records, materials and information with an unrelated business, then (upon Administrative Agent's request) such Grantor will notify such business at which such records, materials and information are maintained (1) that Administrative Agent, each Lender and their representatives are authorized from time to time to inspect, examine, audit and make copies and abstracts of such records, materials and information during normal business hours, and (2) that, upon receipt of written notice from Administrative Agent that an Event of Default has occurred under the Loan Documents, such business is to release and deliver such records, materials and information to Administrative Agent in such manner and at such place as Administrative Agent may direct (in its sole and absolute discretion), and (3) that such business is not to release or return such records, materials or information to any Grantor without Administrative Agent's prior written consent unless (a) such Grantor has delivered a more current version thereof to such business or (b) this Security Agreement has been terminated in accordance with Section 1.3.

c. Each Grantor will also otherwise utilize standard industry precautions to safeguard the utility, value and confidentiality of all such records, materials and information covered by this Section.

3.6. As to Certain Investment Property (including Margin Stock). Without obtaining Administrative Agent's prior written consent (which consent will not be unreasonably withheld while no Default is occurring), no Grantor will establish or maintain any "securities account" or "financial asset" with any "securities intermediary" (as such terms are defined in Article 8 of the UCC), unless a control agreement acceptable in form and substance to Administrative Agent is first executed by such "securities intermediary" securing Administrative Agent's first priority interest and rights in and to all "financial assets" and "security entitlements" associated with such "securities account". Without obtaining Administrative Agent's prior written consent (which consent will not be unreasonably withheld while no Default is occurring), no Grantor will purchase or carry any "Margin Stock" within the meaning of Regulations T, U or X of the Board of Governors of the Federal Reserve System.

3.7. Insurance. Each Grantor will maintain insurance coverages to the same extent and subject to the same requirements and conditions as required for Borrowers under the Credit Agreement. Payments and proceeds of claims or losses in respect of insurance coverage are to be delivered to Administrative Agent and may be held by Administrative Agent (at its discretion) as additional Collateral for, and at any time during the occurrence of an Event of Default may be applied by Administrative Agent in whole or in part against, all or any part of the Secured Obligations in such order as Administrative Agent elects.

3.8. Transfers and Other Liens.

a. No Grantor will sell, transfer, assign, lease, license or otherwise dispose of any of the Collateral, except (1) Inventory sold, leased or licensed in the ordinary course of business to unrelated third parties for value received, and (2) Equipment that has become obsolete or worn out, and (3) Equipment leased or licensed in the ordinary course of business to unrelated third parties for value received, and (4) Intellectual Property Collateral licensed to unrelated third parties for value received and subject to at least commercially reasonable terms and conditions from the perspective of such Grantor, and (5) as otherwise permitted by the Credit Agreement.

b. Each Grantor will maintain the security interest, collateral assignment and pledge created hereby as a first priority interest (except as otherwise permitted by the Credit Agreement), and no Grantor will create or suffer to exist any Lien upon or with respect to any of the Collateral to secure any indebtedness or obligations of any Person, (except as otherwise permitted by the Credit Agreement).

3.9. Further Assurances. Each Grantor (from time to time at its own expense) will promptly execute and deliver all further instruments and documents, and will take all further action, that may be necessary or desirable (or that Administrative Agent may reasonably request) in order to perfect, preserve and protect any security interest, collateral assignment or pledge granted or purported to be granted hereby or to enable Administrative Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, each Grantor:

a. Will mark conspicuously each chattel paper included in the Contract Rights and, at the request of Administrative Agent, each of its records pertaining to the Collateral with a legend (in form and substance reasonably satisfactory to Administrative Agent) indicating that such chattel paper is subject to the security interest, collateral assignment and pledge granted hereby; and

b. If any Contract Rights shall be evidenced by a promissory note or other instrument, negotiable document or chattel paper, then will deliver and pledge to Administrative Agent hereunder such promissory note, instrument, negotiable document or chattel paper duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance reasonably satisfactory to Administrative Agent; and

c. Will execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices as may be necessary (or as Administrative Agent may reasonably request) in order to perfect and preserve the security interests,

collateral assignments, pledges and other rights granted or purported to be granted to Administrative Agent hereby; and

d. Will furnish to Administrative Agent (from time to time at Administrative Agent's request) statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Administrative Agent may reasonably request, all in reasonable detail.

With respect to the foregoing and the grant of the security interest, collateral assignment and pledge hereunder, each Grantor hereby authorizes Administrative Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of such Grantor where permitted by law. A carbon, photographic or other reproduction of this Security Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

ARTICLE 4: LENDER

4.1. Administrative Agent Appointed Attorney-in-Fact. Each Grantor hereby irrevocably appoints Administrative Agent as such Grantor's attorney-in-fact, with full authority in the name, place and stead of such Grantor or otherwise, from time to time in Administrative Agent's reasonable discretion, to take any action and to execute any instrument which Administrative Agent may deem reasonably necessary or advisable to accomplish the purposes of this Security Agreement upon the occurrence and during the continuation of an Event of Default. This authority includes the following:

- a. To ask, demand, collect, sue for, recover, compromise, restructure, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral; and/or
- b. To notify the parties obligated on any of the Collateral to make payment to Administrative Agent of any amount due or to become due in connection therewith; and/or
- c. To receive, endorse, and collect any drafts, checks or other instruments, documents and chattel paper in connection with Clause "a" of this Section; and/or
- d. To file any claims or take any action or institute any proceedings which Administrative Agent may deem reasonably necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of Administrative Agent, any Lender or any Grantor with respect to any of the Collateral; and/or
- e. To execute (in the name, place and stead of any Grantor) endorsements, assignments, powers and other instruments of conveyance or transfer with

respect to all or any of the Collateral; and/or

- f. To perform any and all of the affirmative obligations and covenants of such Grantor hereunder (with notice thereof to be provided to such Grantor by Administrative Agent within a reasonable time thereafter).

Each Grantor hereby acknowledges, consents and agrees that the power of attorney granted pursuant to this Section is irrevocable and coupled with an interest, but that it will terminate upon the termination of this Security Agreement pursuant to Section 1.3.

4.2. Administrative Agent May Perform. From time to time, Administrative Agent (at its option) may perform (or may cause the performance of) any act which any Grantor agrees hereunder to perform and which such Grantor fails to perform after being requested in writing so to perform (it being understood that no such request need be given during the continuance of an Event of Default), and Administrative Agent from time to time may also take any other action which Administrative Agent reasonably deems necessary for the maintenance, preservation or protection of any of the Collateral or of its security interest therein or collateral assignments or pledges thereof. The costs and expenses of Administrative Agent incurred in connection with any such performance will be payable by Grantors (jointly and severally) pursuant to Section 5.3 hereof.

4.3. Administrative Agent Has No Duty. The rights and powers conferred upon Administrative Agent hereunder are solely to protect Administrative Agent's and each Lender's interest in the Collateral and do not impose any duty on Administrative Agent to exercise any such rights or powers. Except for reasonable care of any Collateral in Administrative Agent's possession and the accounting for moneys actually received by it hereunder, Administrative Agent has no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

4.4. Reasonable Care. Administrative Agent is required to exercise reasonable care in the custody and preservation of any of the Collateral in its possession; provided, however, Administrative Agent will be deemed to have exercised such reasonable care in the custody and preservation of any of the Collateral if Administrative Agent takes such action for that purpose as any Grantor reasonably requests in writing at times other than after the occurrence or during the continuance of a Default. Notwithstanding the foregoing, any failure or refusal by Administrative Agent at any time to comply with any such request by any Grantor will not in itself be deemed a failure to exercise reasonable care.

ARTICLE 5: DEFAULTS AND REMEDIES

5.1. Events of Default. The occurrence of any "Event of Default" under and as defined in the Credit Agreement will constitute an independent Event of Default ("Event of Default") hereunder.

5.2. Certain Remedies. If any Event of Default occurs and is continuing:

a. In addition to other rights and remedies provided for herein (including under Article 4) or otherwise available to Administrative Agent or any Lender (including under the other Loan Documents and/or applicable law), Administrative Agent may also exercise in respect of the Collateral all the rights and remedies of a secured party upon default under the UCC (whether or not the UCC applies to the affected Collateral). Upon the occurrence of any Event of Default, Administrative Agent will have the immediate right to enforce and realize upon any and all collateral security granted under the Loan Documents (including the Collateral hereunder) in any manner or order that Administrative Agent deems expedient without regard to any equitable principles of marshalling or otherwise. All rights and remedies available to Administrative Agent or any Lender are to be considered cumulative in nature.

b. Without notice except as expressly specified herein or required by applicable law, Administrative Agent may also sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Administrative Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Administrative Agent may deem commercially reasonable. To the extent notice of sale is required by law, each Grantor agrees that prior notice to a Grantor of at least ten (10) calendar days indicating the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale (without further notice) may be made at the time and place to which it was so adjourned.

c. Administrative Agent may require Grantors to, and each Grantor hereby agrees (at its expense) that it will, forthwith assemble all or part of the Collateral as directed by Administrative Agent and make it available to Administrative Agent at a place designated by Administrative Agent that is reasonably convenient to both Administrative Agent and Grantors.

d. Unless Administrative Agent otherwise consents, each Grantor will remit to Administrative Agent all cash proceeds received in respect of any sale of, or collection from, or other realization upon all or any part of the Collateral. All cash proceeds received by Administrative Agent from any Grantor or otherwise in respect of any sale of, collection from, or other realization upon all or any part of the Collateral (in the discretion of Administrative Agent) may be held by Administrative Agent as additional Collateral for the Secured Obligations, and/or then or at any time thereafter may be applied in whole or in part by Administrative Agent against all or any part of the Secured Obligations in an order consistent with the designated application of payments provided for in Section 1.5 of the Credit Agreement. Any surplus of such cash or cash proceeds held by Administrative Agent and remaining after payment in full of all the Secured Obligations will be paid over to a Grantor or to whomsoever Administrative Agent reasonably believes may be lawfully entitled to receive such surplus.

e. To the extent any of the Collateral represents an interest in a partnership, a limited liability company or other unincorporated enterprise, in addition to any other rights and remedies available to Administrative Agent or any Lender under the Loan Documents or applicable law, Administrative Agent (at its option but with notice to the relevant Grantor) may also exercise all rights and privileges of the holder of such interest under the agreements governing such Collateral

and the Organic Documents for the related organization or may instruct such Grantor how to exercise such rights and privileges (with which instructions each Grantor hereby agrees to comply). Each Grantor, in addition, covenants and agrees (at Administrative Agent's request) to amend (and to use its best efforts to cause others to amend) any of the Organic Documents for such organization in order to authorize Administrative Agent to so exercise any such rights and privileges associated with such Collateral (including voting rights and the rights to participate in management decisions). The rights of Administrative Agent under this Subsection may be transferred to and exercised by any subsequent acquiror or transferee of the Collateral pursuant to any sale of or foreclosure on such Collateral. Each Grantor hereby agrees that the rights of Administrative Agent and each Lender (or any subsequent acquiror or transferee of the Collateral) under this Subsection may be enforced by specific performance or otherwise.

5.3. Special Securities-Related Remedies.

a. Additional Rights. If, during the continuance of an Event of Default, Administrative Agent determines to exercise its right to sell all or any portion of the Pledged Equity Collateral pursuant to Section 5.2, upon Administrative Agent's request, then each Grantor (at its own expense):

1. Will execute and deliver, and will use best efforts to cause each issuer of the Pledged Equity Collateral contemplated to be sold (and the directors and officers thereof) to execute and deliver, all such instruments and documents, and will do or use best efforts to cause to be done all such other acts and things as may be necessary or, in Administrative Agent's opinion, reasonably advisable (1) to register such Pledged Equity Collateral under the provisions of the Securities Act, and (2) to cause the registration statement relating thereto to become effective and to remain effective for such period as prospectuses are required by law to be furnished, and (3) to make all amendments and supplements thereto and to the related prospectus which, in Administrative Agent's opinion, are necessary or reasonably advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto; and
2. Will use its best efforts to qualify the Pledged Equity Collateral under the state securities or "Blue Sky" laws and to obtain all necessary governmental approvals for the sale of the Pledged Equity Collateral, as requested by Administrative Agent; and
3. Will use best efforts to cause each such issuer to make available to its security holders, as soon as practicable, an earnings statement that will satisfy the provisions of Section 11(a) of the Securities Act; and
4. Will do or use best efforts to cause to be done all such other acts and things as may be reasonably necessary, or in Administrative Agent's opinion, advisable to make such sale of the Pledged Equity Collateral

or any part thereof valid and binding and in compliance with applicable law.

In furtherance of the foregoing (and not in limitation of any other obligations under the Loan Documents), each Grantor covenants that it will fully cooperate with each other Grantor and Administrative Agent, and will comply with all requests of Administrative Agent, in order to permit Administrative Agent to fully and timely exercise the remedies under this Section.

b. Compliance with Restrictions. Each Grantor agrees that, in any sale of any of the Pledged Equity Collateral, Administrative Agent is authorized to comply with any limitation or restriction in connection with the type of such sale pursued as Administrative Agent may be advised by counsel is necessary or reasonably desirable in order to avoid any violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any Official Body. Each Grantor further agrees that such compliance will not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor will Administrative Agent or any Lender be liable or accountable to any Grantor for any discount allowed by reason of the fact that such Collateral is sold at foreclosure or otherwise in compliance with any such limitation or restriction or by reason of the fact that such Pledge Equity Collateral may represent a minority interest in any Grantor.

5.4. Special IP-Related Remedies (License of Intellectual Property Collateral). Each Grantor hereby grants Administrative Agent a royalty-free, non-exclusive, worldwide, irrevocable license (the "Remedies License") to make, use and sell from time to time after the occurrence of any Event of Default that is not waived by Administrative Agent and delivery of notice thereof by Administrative Agent (unless such Event of Default is under Section 7.1.10 of the Credit Agreement, in which case no such notification shall be required) all present and future Intellectual Property Collateral of such Grantor (including the right to sub-license such Intellectual Property Collateral) in connection with the maintenance, preservation, preparation, sale, disposition, collection, foreclosure, or other realization of, upon, or with respect to the Collateral or payment of the Secured Obligations in accordance with the Loan Documents. The Remedies License shall remain in full force and effect until this Security Agreement is terminated in accordance with Section 1.3 (but any sub-license or transfer of the Remedies License prior to the termination of the Remedies License shall survive such termination of the Remedies Licenses unless otherwise provided on such sub-license or transfer document). The rights of Administrative Agent under the Remedies License are assignable by Administrative Agent (without the consent of such Grantor) in connection with (a) any sale or other disposition of Collateral in accordance with the Loan Documents to the extent necessary or appropriate to permit the purchaser of such Collateral to have continuing and royalty-free, worldwide rights with respect to such Collateral or (b) any assignment or other transfer by Administrative Agent of all or any part of its rights under and in accordance with the Loan Documents. Upon or at any time after the occurrence of any Event of Default, each Grantor will deliver to Administrative Agent (at Administrative Agent's request but at such Grantor's expense) a copy of all such Intellectual Property Collateral and all related other Collateral in a form requested by Administrative Agent.

Administrative Agent's rights as a licensee under this Section constitute a separately enforceable contract from the balance of this Security Agreement.

5.5. Indemnity and Expenses.

a. Each Grantor agrees (jointly and severally) to indemnify and hold Administrative Agent and each Lender harmless from and against any and all claims, losses and liabilities arising out of or in any manner resulting from any or all of the following: (1) any Grantor's failure to perform or otherwise observe any of its obligations hereunder, or (2) Administrative Agent's enforcement of any of the provisions hereof, or (3) any Grantor's gross negligence, misrepresentation, willful misconduct or fraud.

b. Upon demand, each Grantor (jointly and severally) will pay Administrative Agent the amount of any and all costs and expenses that Administrative Agent or any Lender may incur in connection with any of the matters described under clause "a" of this Section. Without limitation, each Grantor's obligation to reimburse Administrative Agent for such fees, costs and expenses includes all reasonable fees and disbursements of Administrative Agent's or any Lender's counsel and any other experts and agents that Administrative Agent or any Lender may retain in connection herewith (whether or not litigation is commenced).

c. If any Grantor fails or refuses to pay Administrative Agent any amount due hereunder or to otherwise deliver to Administrative Agent any property required to be delivered hereunder, then such amount (or, as appropriate, the fair market value of such property) will accrue interest until paid or delivered at a per annum rate equal to the lesser of: (i) two percent (2%) per annum in excess of the highest rate then otherwise applicable to indebtedness under the Credit Agreement (not including the default rate) or (ii) the maximum amount permitted by applicable law.

5.6. Administrative Agent's Rights Upon Occurrence of Liquidation Events.

a. Right to Certain Payments and Distributions. Upon the occurrence of any Liquidation Event, any payment or distribution of any kind or character (whether in cash, securities or other property) that but for this Security Agreement would be payable or deliverable to a Grantor must instead be paid or delivered directly to Administrative Agent for application on the Secured Obligations, whether or not then due or mature.

b. Non-Cash Payments and Distributions. Notwithstanding the provisions of Clause "a" of this Section, if Administrative Agent receives delivery of any such payment or distribution in connection with a Liquidation Event in a form other than cash, then Administrative Agent may hold such property as additional Collateral for the Secured Obligations, and neither any Grantor nor any other Obligor of the Secured Obligations will be entitled to a credit with respect to the Secured Obligations, nor will the Secured Obligations otherwise be adjusted in any respect, until such time as Administrative Agent (in its sole and absolute discretion) has sold, discounted or otherwise liquidated such distribution (at a price considered by Administrative Agent to be in its sole best interest) and then (subject to the terms of Section 7.8), such credit or adjustment to the Secured Obligations will be limited only to the net cash proceeds realized therefrom after the payment of all costs and expenses associated with such sale or liquidation.

c. Collection of Payments and Distributions. In addition to any rights otherwise permitted under the Loan Documents or applicable law, each Grantor hereby irrevocably authorizes and empowers Administrative Agent, upon the occurrence of a Liquidation Event, to file and/or vote claims and take such other proceedings, in each instance in Administrative Agent's own name or in the name of a Grantor, or otherwise, all as Administrative Agent may deem reasonably necessary or advisable for the enforcement of this Security Agreement. Each Grantor further agrees duly and promptly (i) to take such action as may be requested by Administrative Agent to assist in the collection and/or compromise of any amounts owed to any Grantor, and (ii) to file appropriate proofs of claim in respect of such amounts, and (iii) to execute and deliver to Administrative Agent on demand such powers of attorney, proofs of claim, assignments of claim or other instruments as may be requested by Administrative Agent to enable Administrative Agent to enforce any and all claims upon or with respect to such amounts, and (iv) to collect, compromise and receive any and all payments or distributions which may be payable or deliverable at any time upon or with respect to such amounts.

5.7. Delivery of Payments and Distributions. If any Grantor receives any payment, distribution or any other funds or property in contravention of the provisions hereof or any other Loan Document, then such Grantor must immediately forthwith deliver such payment, distribution or other funds or property (or proceeds thereof) to Administrative Agent in precisely the form received (except for the endorsement or assignment without recourse of such Grantor where necessary) for application on the Secured Obligations (or, at Administrative Agent's option, held as additional Collateral therefor), whether or not then due or mature. Until such funds or property are delivered to Administrative Agent, such Grantor must hold such payment, distribution or other funds or property (or proceeds thereof) (a) in trust for the benefit of and as property of Administrative Agent and (b) separate from (i.e., not commingled with) its other assets. If a Grantor fails or refuses to make any such endorsement or assignment, then Administrative Agent (or any of its officers or employees) are hereby irrevocably authorized by such Grantor to make the endorsement and/or assignment.

5.8. Cooperation and Assistance. Each Grantor agrees (during the existence of a Default) to take any actions that Administrative Agent may reasonably request in order to enable Administrative Agent and each Lender to receive the full rights and benefits granted to Administrative Agent and each Lender by the Loan Documents. Each Grantor further agrees that, during the existence of a Default or an Event of Default, each Grantor will assist and cooperate with Administrative Agent (and will use its best efforts to cause others to assist and cooperate with Administrative Agent) to ensure that each Grantor continues (a) to operate in the normal course of business, and (b) to fulfill all of its legal, regulatory and contractual obligations and (c) to otherwise be properly and professionally managed. At Administrative Agent's request and the expense of Grantors (jointly and severally), at any time during the existence of an Event of Default, such assistance and cooperation may include the employment of (and, to the maximum extent not prohibited by the rules, regulations and orders of any Official Body with jurisdiction, the delegation of appropriate management authority to) one or more qualified and independent consultants and professional managers acceptable to Administrative Agent to assist in the interim operations of Grantors; all of which each Grantor hereby agrees not to challenge.

5.9. Special Regulatory (FCC) Remedies.

a. Each Grantor and Administrative Agent hereby acknowledge their intent that, during the existence of an Event of Default, to the fullest extent permitted by applicable law and governmental policy (including the rules, regulations and policies of the FCC and each State PUC), Administrative Agent will have all rights necessary or desirable to obtain, use and/or sell the assets and operations of each Grantor and the other Collateral, and to exercise all remedies available to Administrative Agent and each Lender under the Loan Documents, the Uniform Commercial Code or other applicable law. Each Grantor and Administrative Agent agree that, if any applicable law or governmental policy changes subsequent to the date hereof that affects in any manner Administrative Agent's rights of access to, or use or sale of, any Grantor's assets or other Collateral (including Authorizations) or the procedures necessary to enable Administrative Agent to obtain such rights of access, use or sale during an Event of Default, then Administrative Agent and each Grantor will amend the Loan Documents (in such manner as Administrative Agent reasonably requests) in order to provide Administrative Agent with all such rights to the greatest extent possible consistent with then-applicable law and governmental policy.

b. At any time during the existence of an Event of Default, at the cost and expense of Grantors (jointly and severally), each Grantor will use its best efforts to assist and cooperate in obtaining all approvals (including all FCC and State PUC approvals) which are then required by applicable law or contract for or in connection with any action or transaction contemplated by the Loan Documents or the Uniform Commercial Code. Each Grantor further agrees, upon Administrative Agent's request and at the expense of Grantors (jointly and severally), at any time during the existence of an Event of Default, to prepare, sign, file and diligently prosecute (and to use its best efforts to cause the preparation, execution, filing and diligent prosecution by others) with the FCC the assignor's or transferor's portion of any applications for consent to the assignment of Authorizations or transfer of control thereof necessary or appropriate under the rules of each Official Body for approval of any sale or transfer of any Collateral or any Authorization pursuant to the exercise of Administrative Agent's and Lenders' remedies under the Loan Documents. Each Grantor further consents to (and agrees that it will not challenge), at any time during the existence of an Event of Default, the transfer of control or assignment of Authorizations and other assets to a receiver, trustee, transferee, or similar official or to any purchaser of the Collateral pursuant to any public or private sale, judicial sale, foreclosure or exercise of other remedies available to Administrative Agent or any Lender as permitted by applicable law.

c. In addition to the other rights and remedies provided for herein or otherwise available to Administrative Agent or any Lender, upon the occurrence of an Event of Default, Administrative Agent may require each Grantor to, and each Grantor (at its sole expense) hereby agrees that it will take all actions necessary or reasonably advisable (1) to cooperate with Administrative Agent in effecting the transfer of any or all of its Licenses to a transferee acceptable to the FCC or (2) to sell any or all of its Licenses at public or private sale for cash, on credit or for future delivery. Each Grantor will also use its best efforts to sell its Licenses for the best available price, and (in furtherance of such efforts) each Grantor (a) will hire one or more brokers to solicit buyers, and (b) will cause such information and materials regarding its Licenses and operations to be compiled as is customarily prepared or as is needed under the circumstances, and (c) will make available to prospective purchasers such information (including any information compiled in accordance with Clause "(b)") as is customary or as is needed under the circumstances.

d. Notwithstanding anything to the contrary contained in any Loan Document, neither Administrative Agent nor any Lender nor any Grantor will take any action pursuant to the Loan Documents that would constitute or result in any assignment of an Authorization or any transfer of control of any Grantor if such assignment of Authorization or transfer of control would require under then existing law (including the written rules and regulations promulgated by the FCC) the prior approval of the FCC or any State PUC, unless such approval has been obtained (as applicable) from such State PUC (to the extent failure to obtain such approval by Administrative Agent could reasonably be expected to have or cause a Material Adverse Effect) or from the FCC. Without limiting the generality of the foregoing, Administrative Agent and each Lender each specifically agrees that (a) voting rights with respect to the pledged equity interests of each Grantor will remain with the holders of such voting rights during the existence of an Event of Default unless and until any required prior approvals to the transfer of such voting rights have been obtained (as applicable) from such State PUC (to the extent failure to obtain such approval by Administrative Agent could reasonably be expected to have or cause a Material Adverse Effect) or from the FCC, and (b) during the existence of any Event of Default and foreclosure upon the Collateral by Administrative Agent, there will be either a private or public sale of the Collateral, and (c) prior to the exercise of voting rights by the purchaser at any such sale, any consent of any State PUC or the FCC required pursuant to any State Communications Act (to the extent failure to obtain such consent could reasonably be expected to have or cause a Material Adverse Effect) or the Federal Communications Act (respectively) will be obtained.

ARTICLE 6: DEFINITIONS

6.1. Credit Agreement Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Security Agreement (including the preamble and recitals hereof) have the meanings provided in the Credit Agreement.

6.2. Rules of Construction. The rules of interpretation and construction set forth in Section 9.2 of the Credit Agreement apply to the interpretation and construction of this Security Agreement.

6.3. Certain Terms. The following terms (whether or not underscored) when used in this Security Agreement (including the preamble and recitals hereof) have the following meanings:

a. "Administrative Agent" means MCG Finance Corporation and any successor, assignee, transferee, pledgee or participant thereof.

b. "Borrower(s)" means, individually and collectively, each Borrower under and as defined in the Credit Agreement, including any successor or assignee thereof.

c. "Collateral" is defined in Section 1.1.

d. "Computer Software Collateral" is defined in Section 1.1.

e. "Contract Rights" is defined in Section 1.1.

- f. "Copyright Collateral" is defined in Section 1.1.
- g. "Credit Agreement" is defined in the Recitals.
- h. "Distribution" means all equity dividends, liquidating dividends, shares or interests of equity resulting from (or in connection with the exercise of) equity splits, reclassifications, warrants, options, non-cash dividends, mergers, consolidations, distributions of capital accounts, and all other distributions (whether similar or dissimilar to the foregoing) on or with respect to any Pledged Equity or other shares or interests of equity constituting Pledged Equity Collateral, but such term does not include Dividends.
- i. "Dividend" means cash dividends and cash distributions with respect to any Pledged Equity or other Pledged Equity Property made in the ordinary course of business, but such term shall not include a liquidating dividend.
- j. "Equipment" is defined in Section 1.1.
- k. "Fixture" is defined in Section 1.1.
- l. "Grantor" means each Person that from time to time executes this Security Agreement (or a counterpart hereof or supplemental addendum hereto) as a grantor hereunder, and any successor or permitted assignee thereof.
- m. "Intellectual Property Collateral" means, collectively, the Computer Software Collateral, the Copyright Collateral, the Patent Collateral, the Trademark Collateral and the Trade Secrets Collateral, as defined in Section 1.1.
- n. "Inventory" is defined in Section 1.1.
- o. "License" means any authorization, permit, call sign, frequency designation, consent, franchise, ordinance, registration, certificate, license, agreement or other right filed with, granted by, or entered into by a federal, state or local Official Body.
- p. "Lien" means any security interest, mortgage, pledge, hypothecation, assignment, deposit arrangement, option, claim, encumbrance, lien (statutory or otherwise), charge against or interest in property to secure payment of a debt or performance of an obligation or other priority or preferential arrangement of any kind or nature whatsoever.
- q. "Liquidation Event" means any foreclosure on or any sale of all or any material part of the assets of any Grantor, or any liquidation, dissolution or other winding up (partial or complete) of any Grantor or any Grantor's business, or any sale, receivership, insolvency or bankruptcy proceeding, any assignment for the benefit of creditors, or any other proceeding by or against any Grantor or its assets for any relief under any bankruptcy or insolvency law relating to the relief of debtors, readjustment of indebtedness, arrangements, reorganizations, compositions or extensions.

r. “Official Body” means any federal, state, local, or other government (or any political subdivision, agency, authority, bureau, commission, department or instrumentality thereof, including the FCC and each State PUC) and any court, tribunal, grand jury or arbitrator, in each instance whether foreign or domestic.

s. “Operating Agreements” means any consulting agreement, management agreement, employment agreement, cost allocation agreement or other similar agreement relating to the operation of any Grantor's business.

t. “Patent Collateral” is defined in Section 1.1.

u. “Person” means any natural person, corporation, partnership, limited liability company, firm, association, trust, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.

v. “Pledged Equity” means all shares of capital stock and all other forms of equity or ownership rights and interests (whether in the form of partnership interests, membership interests or otherwise) of or in any corporation, partnership, limited liability company business trust or other business entity.

w. “Pledged Equity Collateral” is defined in Section 1.5.

x. “Pledged Equity Issuer” means each Person who is an issuer of Pledged Equity Collateral.

y. “Pledged Equity Property” means all Pledged Equity and all other forms of equity interests and rights, all other securities (including, without limitation, all options, warrants and puts for Pledged Equity), all assignments of any amounts due or to become due, all other instruments which are now being delivered by any Pledgor to Administrative Agent or may from time to time hereafter be delivered by any Pledgor to Administrative Agent for the purpose of pledge under the Security Agreement, and all proceeds of any of the foregoing.

z. “Pledgor” means each Person (a) who is a Grantor hereunder and (b) who pledges Pledged Equity Collateral.

aa. “Related Contracts” is defined in Section 1.1.

bb. “Secured Obligations” is defined in Section 1.2.

cc. “Security Agreement” means this Master Security Agreement, Collateral Assignment and Pledge and all exhibits, schedules and supplemental addenda hereto, all as may be amended and otherwise modified from time to time hereafter.

dd. “Securities Act” means the Securities Act of 1933, as amended from time to time, and as implemented by the Securities Exchange Commission.

ee. “Trademark Collateral” is defined in Section 1.1.

ff. "Trade Secrets Collateral" is defined in Section 1.1.

gg. "UCC" means the Uniform Commercial Code as in effect in the Commonwealth of Virginia or, if the laws of some other jurisdiction otherwise dictates, then the Uniform Commercial Code as in effect in the jurisdiction whose laws govern the interpretation of the relevant provisions of this Security Agreement.

6.4. UCC Definitions. Unless otherwise defined herein or the context otherwise requires, terms for which meanings are provided in the UCC are used in this Security Agreement (including in the preamble and recitals hereof) with such meanings.

ARTICLE 7: MISCELLANEOUS PROVISIONS

7.1. Loan Document. This Security Agreement and each separate assignment executed in connection herewith are Loan Documents executed pursuant to the Credit Agreement and (unless otherwise expressly indicated herein) are to be construed, administered and applied in accordance with the terms and provisions thereof.

7.2. Amendments. No amendment to or waiver of any provision of this Security Agreement, nor consent to any departure by any Grantor herefrom, shall in any event be effective unless such amendment, waiver or consent is in writing and signed by Administrative Agent. Any such waiver or consent will be effective only in the specific instance and for the specific purpose for which given.

7.3. Addresses for Notices. Any notice, request, consent, waiver or other communication required or permitted under or in connection with this Security Agreement will be deemed satisfactorily given if it is in writing and is delivered either personally to the addressee thereof, or by prepaid registered or certified U.S. mail (return receipt requested), or by a nationally recognized commercial courier service with next-day delivery charges prepaid, or by telegraph, or by facsimile (voice confirmed), or by any other reasonable means of personal delivery to the party entitled thereto at its respective address set forth below its signature to this Security Agreement (or, if blank, then to such party at its address or facsimile number set forth in the Credit Agreement). If any Grantor fails to insert an address below (and in the Credit Agreement), then such failure shall constitute a designation of its last known address as the address for all notices, including notices of default and sale. Any party to this Security Agreement may change its address or facsimile number for notice purposes by giving notice thereof to the other parties hereto in accordance with this Section, provided that such change shall not be effective until 2 calendar days after notice of such change. All such notices and other communications will be deemed given and effective (a) if by mail, then upon actual receipt or 5 calendar days after mailing as provided above (whichever is earlier), or (b) if by facsimile, then upon successful transmittal to such party's designated number, or (c) if by telegraph, then upon actual receipt or 2 Business Days after delivery to the telegraph company (whichever is earlier), or (d) if by nationally recognized commercial courier service, then upon actual receipt or 2 Business Days after delivery to the courier service (whichever is earlier), or (e) if otherwise delivered, then upon actual receipt.

7.4. Severability. Wherever possible, each provision of this Security Agreement shall be interpreted in such manner as to be effective and valid under applicable law. If any provision of this Security Agreement shall be prohibited by or invalid under such law, then such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement.

7.5. Governing Law; Entire Agreement. This Security Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Virginia, except to the extent that the validity or perfection of the security interest, collateral assignment or pledge hereunder (or remedies hereunder) in respect of any particular Collateral are required to be governed by the laws of a jurisdiction other than the Commonwealth of Virginia. This Security Agreement and the other loan documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and supersede any prior agreements (written or oral) with respect thereto.

7.6. Reinstatement. To the maximum extent not prohibited by applicable law, this Security Agreement shall continue to be effective or be reinstated if at any time any amount received by Administrative Agent or any Lender in respect of the Credit Agreement or any other Loan Document is rescinded or must otherwise be restored or returned by Administrative Agent or such Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Grantor or upon the appointment of any receiver, intervenor, conservator, trustee or similar official for any Grantor or any substantial part of any Grantor's assets, or otherwise, all as though such payments had not been made.

7.7. Conflict Provision. In the event of any irreconcilable conflict between the terms and conditions of this Security Agreement and the terms and conditions of the Credit Agreement, the terms and conditions of the Credit Agreement shall govern.

7.8. Incorporation of Separate IP Security Agreements and Collateral Assignments of Material Contracts. Each representation, warranty, covenant and further assurance by any Grantor contained in any separate assignment or security agreement relating to any Intellectual Property Collateral or any material contract executed in connection the Credit Agreement is hereby incorporated herein by reference.

7.9. Incorporation of Financing Statements and Exhibits Thereto. Each UCC financing statement (including each exhibit thereto) executed by any Grantor in connection with this Security Agreement is hereby incorporated herein by reference.

7.10. Administrative Agent. References in this Security Agreement to Administrative Agent shall mean either to Administrative Agent in such capacity or (where appropriate) to Administrative Agent for the benefit of itself and other Lenders. Unless otherwise indicated in this Security Agreement or the other Loan Documents, all Collateral held and all payments received by Administrative Agent are deemed to be held and received, respectively, for the benefit of Lenders.

7.11. Waiver of Suretyship Defenses. Each Grantor hereby waives any and all defenses and rights of discharge based on suretyship or impairment of collateral (including any lack of attachment

or perfection with respect thereto) that it may now have or may hereafter acquire with respect to Administrative Agent or any Lender or any of such Grantor's obligations hereunder or under any other agreement that it may have or hereafter enter into with Administrative Agent or any Lender.

7.12. Waiver of Subrogation. Until this Security Agreement is terminated in accordance with Section 1.3, each Grantor hereby irrevocably waives any claim or other rights which it may now have or may hereafter acquire against any other Obligor that arise from the existence, payment, performance or enforcement of any Grantor's obligations under this Security Agreement or any other Loan Document, including any right of subrogation, reimbursement, contribution, exoneration, or indemnification, any right to participate in any claim or remedy of Administrative Agent or any Lender against any other Obligor or any collateral which Administrative Agent or any Lender now has or hereafter acquires, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law.

7.13. Waiver of Notice; Waiver of Bond. Each Grantor waives all rights of notice and hearing of any kind prior to the exercise by Administrative Agent or any Lender of its rights during the continuance of any Event of Default to repossess the Collateral with judicial process or to replevy, attach or levy upon the Collateral. Each Grantor waives the posting of any bond otherwise required of Administrative Agent or any Lender in connection with any judicial process or proceeding to obtain possession of, replevy, attach or levy upon Collateral or other security for the Secured Obligations, to enforce any judgment or other court order entered in favor of Administrative Agent or any Lender, or to enforce by specific performance, temporary restraining order or preliminary or permanent injunction this Security Agreement or any other Loan Document.

7.14. Waiver of Liability. Each Grantor (a) agrees that neither Administrative Agent nor any Lender (nor any director, officer, employee or agent of Administrative Agent or any Lender) shall have any liability to any Grantor (whether sounding in tort, contract or otherwise) for losses or costs suffered or incurred by any Grantor in any way related to the transactions contemplated or the relationship established by any Loan Document, or any act, omission or event occurring in connection therewith, except for foreseeable actual losses resulting directly and exclusively from Administrative Agent or such Lender's own gross negligence, willful misconduct or fraud, and (b) waives, releases and agrees not to sue upon any claim against Administrative Agent or any Lender (or their directors, officers, employees or agents) whether sounding in tort, contract or otherwise, except for claims for foreseeable actual losses resulting directly and exclusively from Administrative Agent's or such Lender's own gross negligence, willful misconduct or fraud. Moreover, whether or not such damages are related to a claim that is subject to the waiver effected above and whether or not such waiver is effective, neither Administrative Agent nor any Lender (nor any director, officer, employee or agent of Administrative Agent or any Lender) shall have any liability with respect to (and each Grantor hereby waives, releases and agrees not to sue upon any claim for) any special, indirect, consequential, punitive or non-foreseeable damages suffered by any Grantor in any way related to the transactions contemplated or the relationship established by any Loan Document, or any act, omission or event occurring in connection therewith.

7.15. Forum Selection and Consent to Jurisdiction. Any litigation in any way related to any Loan Document, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of Administrative Agent or any Lender or any Grantor will be brought and maintained exclusively in the courts of the Commonwealth of Virginia or in the United States District Court for the Eastern District of Virginia; provided, however, that any suit seeking enforcement against any Grantor or any Collateral may also be brought (at Administrative Agent's or such Lender's option) in the courts of any jurisdiction where such Collateral may be found or where Administrative Agent or any Lender may otherwise obtain personal jurisdiction over such Grantor. Each Grantor hereby expressly and irrevocably submits to the jurisdiction of the courts of the Commonwealth of Virginia and of the United States District Court for the Eastern District of Virginia for the purpose of any such litigation as set forth above and irrevocably agrees to be bound by any final and non-appealable judgment rendered thereby in connection with such litigation. Each Grantor further irrevocably consents to the service of process by registered or certified mail, postage prepaid, or by personal service within or outside the Commonwealth of Virginia. Each Grantor hereby expressly and irrevocably waives (to the fullest extent permitted by law) any objection which it may have or hereafter may have to the laying of venue of any such litigation brought in any such court referred to above and any claim that any such litigation has been brought in an inconvenient forum. To the extent that any Grantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) with respect to itself or its property, then such Grantor hereby irrevocably waives such immunity in respect of its obligations under this Security Agreement.

7.16. Waiver of Jury Trial. Administrative Agent, each Lender and each Grantor each hereby knowingly, voluntarily and intentionally waives any rights it may have to a trial by jury in respect of any litigation (whether as claim, counter-claim, affirmative defense or otherwise) in any way related to any Loan Document, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of Administrative Agent, any Lender or any Grantor. Each Grantor acknowledges and agrees (a) that it has received full and sufficient consideration for this provision (and each other provision of each other Loan Document to which it is a party), and (b) that it has been advised by legal counsel in connection herewith, and (c) that this provision is a material inducement for Administrative Agent and each Lender entering into the Loan Documents and funding Advances thereunder.

7.17. Counterparts. This Security Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document. Each counterpart will be deemed to be an original, but all counterparts together will constitute one and the same instrument.

[BALANCE OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement, as an instrument under seal (whether or not any such seals are physically attached hereto), through their duly authorized officers, as of the date first written above.

ATTEST:

BIZNESSONLINE.COM, INC.
(Grantor)

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

By: _____
Name: _____
Title: _____

Address: 1720 Route 34
P. O. Box 1347
Wall, NJ 07719

Facsimile: () ____-____

ATTEST:

GLOBAL 2000 COMMUNICATIONS, INC.
(Grantor)

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

ALBANYNET, INC.
(Grantor)

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

WEBWAY INTERNET, INC.
(Grantor)

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ASCENT NETWORKING, INC.
(Grantor)

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CYBERZONE, INC.
(Grantor)

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

CARAVELA SOFTWARE, INC.
(Grantor)

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

NECANET, INC.
(Grantor)

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

**PRIME COMMUNICATIONS
SYSTEMS, INC.**
(Grantor)

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

INFOBOARD, INC.
(Grantor)

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

BORG INTERNET SERVICES, INC.
(Grantor)

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ULSTERNET, INC.
(Grantor)

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () ____-____

WITNESS:

MCG FINANCE CORPORATION
(Administrative Agent)

By: _____
Name: _____
Title: _____

Address: 1100 Wilson Boulevard
Suite 800
Arlington, Virginia 22209

Facsimile: (703) 247-7505

WARRANT AGREEMENT

Dated as of February __, 2000

By and Between

BIZNESSONLINE.COM, INC.
(As Issuer of Warrants)

and

MCG FINANCE CORPORATION
(As Purchaser of Warrants)

Warrants to Purchase ____ Shares of
Voting Common Stock of Company
(Representing, Upon Issuance, [7.5]% of the Issued and Outstanding Shares of
Capital Stock (on a Fully Diluted Basis))

TABLE OF CONTENTS

ARTICLE 1 . GRANT OF WARRANTS.....	1
1.1. GRANT OF WARRANTS.....	1
1.2. WARRANT ENTITLEMENT.....	1
1.3. WARRANTS AS ADDITIONAL COMPENSATION.....	2
ARTICLE 2 . PURCHASER'S REPRESENTATIONS AND AGREEMENTS	2
ARTICLE 3 . COMPANY'S REPRESENTATIONS AND WARRANTIES.....	2
3.1. LEGAL EXISTENCE AND POWER.....	2
3.2. AUTHORIZATION; NON-CONTRAVENTION.....	2
3.3. EXECUTION, DELIVERY AND BINDING EFFECT.....	3
3.4. BROKER AND FINDER FEES.....	3
3.5. OFFER AND SALE OF SECURITIES.....	3
3.6. CAPITALIZATION; WARRANT SHARES AS A PERCENT OF CAPITAL STOCK.....	3
3.7. RESERVATION AND ISSUANCE OF WARRANT SHARES.....	4
3.8. DISCLOSURES	4
3.9. ACKNOWLEDGMENT REGARDING PURCHASER'S PURCHASE OF THE WARRANTS.....	4
ARTICLE 4 . THE WARRANTS AND WARRANT SHARES.....	4
4.1. WARRANT CERTIFICATES	4
4.2. EXERCISE OF WARRANTS	5
4.3. TRANSFERS OF WARRANTS AND WARRANT SHARES.....	6
4.4. REGISTRATION AND RELATED RIGHTS.....	6
4.5. RIGHTS UPON EQUITY DISPOSITIONS, EQUITY REDEMPTIONS AND NON-SURVIVING TRANSACTIONS.....	11
4.6. REPURCHASE OFFERS	13
4.7. CUMULATIVE RIGHTS.....	14
4.8. EXERCISE OF RIGHTS CONDITIONED UPON CLOSING OF TRANSACTION INVOLVED.....	14
4.9. PAYMENT OF TAXES AND EXPENSES	14
4.10. RESERVATION AND ISSUANCE OF WARRANT SHARES.....	14
4.11. CORRECTIVE ADJUSTMENTS.....	14
4.12. LISTING OF SHARES	15
4.13. LISTS OF HOLDERS.....	15
4.14. STATEMENT OF WARRANT INTEREST.....	15
4.15. RIGHT OF INSPECTION.....	15
4.16. ATTENDANCE AND PARTICIPATION RIGHTS.....	15
4.17. COMPLIANCE WITH APPROVAL REQUIREMENTS.....	16
4.18.	16
ARTICLE 5 . ANTI-DILUTION PROVISIONS	16
5.1. ADJUSTMENTS TO WARRANT SHARES PURCHASABLE AND EXERCISE PRICE.....	16
5.2. NOTICE OF ADJUSTMENT	18
5.3. PRESERVATION OF PURCHASE RIGHTS UPON CERTAIN TRANSACTIONS.....	18
ARTICLE 6 . COMPANY'S COVENANTS.....	18
6.1. INFORMATION.....	18
6.2. BOOKS AND RECORDS	20
6.3. NO AMENDMENTS TO ORGANIC DOCUMENTS	20
6.4. EXISTENCE AND GOOD STANDING.....	20
6.5. TRANSACTIONS WITH RELATED PARTIES.....	20
6.6. CONDUCT OF BUSINESS	20
ARTICLE 7 . DEFINITIONS.....	21
7.1. DEFINITIONS	21

7.2. GENERAL CONSTRUCTION AND INTERPRETATION.....	25
ARTICLE 8 . MISCELLANEOUS.....	27
8.1. COMPLIANCE WITH FCC AND STATE PUC REQUIREMENTS.....	27
8.2. COMPLIANCE WITH PURCHASER'S REGULATORY REQUIREMENTS.....	27
8.3. BINDING EFFECT AND GOVERNING LAW.....	27
8.4. SURVIVAL.....	27
8.5. NO WAIVER; DELAY.....	27
8.6. MODIFICATION.....	28
8.7. NOTICES	28
8.8. PRIOR AGREEMENTS SUPERSEDED	28
8.9. SEVERABILITY	28
8.10. COUNTERPARTS.....	29
8.11. LIMITATION OF LIABILITY.....	29
8.12. FORUM SELECTION; CONSENT TO JURISDICTION.....	29
8.13. WAIVER OF JURY TRIAL	29

EXHIBIT A -- ARTICLES OF INCORPORATION

EXHIBIT B -- AUTHORIZING RESOLUTIONS

EXHIBIT C -- FORM OF WARRANT CERTIFICATE

EXHIBIT D -- RESTRICTIVE LEGENDS

WARRANT AGREEMENT

THIS WARRANT AGREEMENT (as defined in Article 7 along with all the other defined terms, this "Agreement") is made and effective as of February __, 2000 by and between **BIZNESSONLINE.COM, INC.** (as more fully defined in Article 7, "Company"), and **MCG FINANCE CORPORATION** (as more fully defined in Article 7, "Purchaser", "Lender" and/or a "Holder").

RECITALS

WHEREAS, Company (together with certain of its Affiliates) has requested Lender (and Lender has agreed) to enter into the Credit Agreement and various related Loan Documents (as defined in the Credit Agreement) pursuant to which Lender will provide Borrowers (as defined therein) with credit facilities initially aggregating up to \$15.0 million; and

WHEREAS, to induce Lender to enter into the Credit Agreement and other Loan Documents and as additional consideration for the credit to be provided thereunder, Company has agreed to issue and deliver to Purchaser the Warrants (evidenced by Warrant Certificates) to purchase up to an aggregate of ____ shares (subject to adjustment) of Common Stock of Company (which, if issued as of the effective date hereof, would constitute [7.5]% of the issued and outstanding shares of Capital Stock and voting rights of Company, on a fully diluted basis);

NOW, THEREFORE, for good and valuable consideration (receipt and sufficiency of which are hereby acknowledged), and intending to be legally bound hereby, Company and Purchaser hereby agree as follows:

ARTICLE 1. GRANT OF WARRANTS

1.1. **Grant of Warrants.** Company hereby grants to Purchaser warrants (including all Block A Warrants and all Block B Warrants, each a "Warrant"; collectively, the "Warrants") to purchase up to an aggregate of ____ shares of Common Stock (as such number may be adjusted from time to time as provided herein). ____ Warrants shall be designated as Block A Warrants and shall have a Block A Exercise Price, which Block A Exercise Price is set forth in Section 1.2. ____ Warrants shall be designated as Block B Warrants and shall have a Block B Exercise Price, which Block B Exercise Price is set forth in Section 1.2. Each Warrant is exercisable immediately.

1.2. **Warrant Entitlement.** Each Block A Warrant entitles the registered Holder of such Warrant to purchase (during the Exercise Period) one fully paid, nonassessable Warrant Share at a price of \$ _____ per share (as such amount may be adjusted from time to time as provided herein, the "Block A Exercise Price"). Each Block B Warrant entitles the registered Holder of such Warrant to purchase (during the Exercise Period) one fully paid, nonassessable Warrant Share at a price per share equal to \$ _____ (as such amount may be adjusted from time to time as provided herein, the "Block B Exercise Price").

1.3. **Warrants as Additional Compensation.** The Warrants (and the grant thereof hereunder) are additional compensation for the cost, expense and risk incurred by Lender (and/or its Affiliates) associated with the underwriting and establishment of the loan credit facilities to be provided for in the Credit Agreement, but neither the grant nor the exercise of any Warrants in any way affects or relieves Company, Borrowers (or any Affiliate thereof) of any of its obligations to fully and timely perform and to fully and timely repay the entire indebtedness due under the Credit Agreement and related Loan Documents.

ARTICLE 2 . PURCHASER'S REPRESENTATIONS AND AGREEMENTS

Purchaser represents and warrants that it is acquiring the Warrants (a) solely for the purpose of investment and not with a view to any distribution of the Warrants or any Warrant Shares within the meaning of the Securities Act, and (b) with no present intention of selling or otherwise transferring the Warrants, the Warrant Certificates or the Warrant Shares except as provided herein. Purchaser further represents and warrants as follows: (1) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Warrants, and (2) it has the ability to bear the economic risks of its prospective investment, and (3) it is able (without materially impairing its financial condition) to hold the Warrants and Warrant Shares for an indefinite period of time and to suffer a complete loss on its investment in such Warrants and Warrant Shares. Purchaser agrees that it will not offer, sell or otherwise transfer any Warrants, Warrant Certificates or Warrant Shares except in compliance with this Agreement and the Securities Act (and the regulations of the Commission thereunder), as well as in compliance with any applicable laws, regulations and orders of and/or administered by any State PUC (to the extent failure to so comply could reasonably be expected to have or cause a material adverse effect on the operations of Company) or the FCC.

ARTICLE 3 . COMPANY'S REPRESENTATIONS AND WARRANTIES

Company represents and warrants that:

3.1. **Legal Existence and Power.** Company (a) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and (b) has all requisite power to execute, deliver and perform this Agreement, and (c) has all requisite power to issue and deliver the Warrants, to execute, deliver and perform the Warrant Certificates (evidencing the Warrants), and to issue and deliver the Warrant Shares (if and when any Warrants are exercised). The Articles of Incorporation of Company (as amended from time to time prior to the effective date hereof) are attached as Exhibit A.

3.2. **Authorization; Non-Contravention.** Company has duly authorized each of the following by all requisite actions thereof: (a) the execution, delivery and performance of this Agreement, and (b) the issuance and delivery of the Warrants, and (c) the execution, delivery and performance of the Warrant Certificates, and (d) the issuance and delivery of the Warrant Shares upon any exercise of the Warrants. None of the actions or activities by Company the authorization of which is described in the first sentence of this Section (when performed by Company) will violate,

breach or cause a default under (or will require any consent that has not been obtained under) any applicable law or regulation (including the laws, regulations and orders of and/or administered by the FCC or any State PUC), the Organic Documents of Company, any voting or other equity-related agreements, any other material agreements or instruments, any order, injunction or decree of any court or governmental authority, or any permit, authorization or license that (with respect to each of the foregoing items, as applicable) Company is a party to, Company is bound by or Company operates pursuant to. The resolutions of Company's Board of Directors authorizing the actions described in the first sentence of this Section are attached as Exhibit B and are in full force and effect as of the effective date hereof.

3.3. **Execution, Delivery and Binding Effect.** This Agreement and the Warrant Certificates have been duly executed and delivered by Company. This Agreement, the Warrant Certificates and the Warrants constitute valid and binding obligations of Company enforceable against Company in accordance with their terms except as (a) the enforceability hereof or thereof may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and (b) the availability of equitable remedies may be limited by equitable principles of general applicability.

3.4. **Broker and Finder Fees.** Company has not dealt with any broker, finder, investment bank or other advisor (other than _____) in connection with the issuance and sale of the Warrants or Warrant Shares, and no broker, finder, investment banking or advisory fee or commission has been or will be payable (or asserted to be payable) by Company with respect to the issuance and sale of the Warrants or the Warrant Shares.

3.5. **Offer and Sale of Securities.** The offer, sale and issuance of the Warrants complied with or are exempt from, and the issuance of the Warrant Shares pursuant to the terms hereof and thereof will comply with or will be exempt from, the requirements of federal and applicable state securities or "Blue Sky" laws.

3.6. **Capitalization; Warrant Shares as a Percent of Capital Stock.**

a. The authorized Capital Stock of Company consists of the following: (1) 39,000,000 shares of Common Stock, of which _____ shares are issued and outstanding, and (2) 1,000,000 shares of Preferred Stock, of which _____ shares are issued and outstanding, and (3) _____. All of such outstanding shares of Capital Stock have been validly issued and are fully paid and nonassessable.

b. There are no outstanding warrants, options, convertible securities or other rights, agreements or arrangements under which Company is or may be obligated (contingently or otherwise) to issue any Capital Stock or to purchase, redeem, retire or otherwise acquire any Capital Stock, except (1) pursuant to this Agreement, and (2) _____. No Person has any right of first refusal, preemptive right, anti-dilution protection, put right, registration right, or similar right with respect to any Capital Stock of Company, except (i) pursuant to this Agreement, and (ii) _____. To the knowledge of Company (after diligent inquiry), no holder of any Capital Stock is a party to any equityholder or voting agreement with respect to any such Capital Stock.

c. The Warrant Shares (if issued as of the effective date hereof) would constitute [7.5]% of the issued and outstanding shares of Capital Stock and voting rights on a fully diluted basis.

3.7. **Reservation and Issuance of Warrant Shares.** Company has reserved among its currently authorized but unissued shares of Common Stock the full number of Warrant Shares deliverable upon exercise of all of the Warrants. The Warrant Shares (when and if issued upon exercise of the Warrants in accordance with the terms hereof) (a) will be duly authorized, validly issued, fully paid and nonassessable, and (b) will be free from all taxes (other than income taxes that may be imposed upon the Holder thereof), liens (other than liens that may be created by the Holder thereof as and to the extent permitted under this Agreement), preemptive rights, rights of first refusal or similar rights of other equityholders of Company.

3.8. **Disclosures.** All information relating to or concerning Company (and its direct and indirect Subsidiaries, if any) set forth in this Agreement or otherwise provided to Purchaser in connection with the transactions contemplated by this Agreement is true, correct and complete in all material respects, and Company has not omitted to state any material fact necessary in order to make the statements made herein or therein (in light of the circumstances under which there were made) not misleading.

3.9. **Acknowledgment Regarding Purchaser's Purchase of the Warrants.** Company acknowledges and agrees that (a) Purchaser is acting solely in the capacity of an arm's length purchaser with respect to this Agreement and the transactions contemplated hereby, and (b) Company has been advised by legal counsel in connection herewith, and (c) Purchaser is not acting as a financial advisor or fiduciary of Company (or in any similar capacity) with respect to this Agreement or the transactions contemplated hereby, and (d) any advice given by Purchaser or any of its representatives or agents in connection with this Agreement and the transactions contemplated hereby is merely incidental to Purchaser's purchase of the Warrants.

ARTICLE 4. THE WARRANTS AND WARRANT SHARES

4.1. **Warrant Certificates.**

a. **Form of Certificate; Registration Among Company's Records.** The Warrants shall be evidenced by one or more Warrant Certificates, each of which will be substantially in the form of Exhibit C with the applicable legend specified on Exhibit D (but such certificates shall incorporate such changes therein as may be required from time to time to reflect any adjustments made pursuant to Article 5, and the legend thereon shall be modified or removed from time to time to reflect the applicable requirements of the Securities Act). Each Warrant Certificate shall be uniquely numbered, shall identify the record Holder thereof, and shall be registered on the books and records of Company in substantially the same manner as other equity interests of Company.

b. **Exchange and Transfer of Certificates.** A Warrant Certificate (and the Warrants evidenced thereby) may be exchanged or (subject to compliance with the applicable requirements hereof) may be transferred from time to time at the option of the Holder thereof. Upon surrender of any such Warrant Certificate to Company, then Company shall issue and deliver to (or

in accordance with the written instructions of) such Holder one or more new Warrant Certificates evidencing in the aggregate the same number of Warrants.

c. Missing and Mutilated Certificates. If any Warrant Certificate is lost, stolen, mutilated or destroyed, then Company (upon request of the registered Holder thereof) shall issue and deliver to (or in accordance with the written instructions of) such Holder one or more replacement Warrant Certificates evidencing in the aggregate the same number of Warrants. Company's obligation under this Clause is conditioned upon its receipt of reasonably satisfactory evidence of such loss, theft, mutilation or destruction.

d. Authorization of Certificate Signer. Any Warrant Certificate may be signed on behalf of Company (and delivered to the Holder entitled thereto) by any person who, on the actual date of execution of such Warrant Certificate, is a proper officer of Company to sign such Warrant Certificate even though (1) on the date of execution of this Agreement such person was not such an officer, and/or (2) on the date of delivery of such Warrant Certificate such person has ceased to serve as such officer of Company.

4.2. Exercise of Warrants.

a. Exercise Period. The Warrants are exercisable at any time and from time to time after the effective date hereof and prior to 11:59 p.m. (Eastern Time) on February 28, 2010 (as such period may be extended from time to time by mutual agreement of the Holders and Company, "Exercise Period"), at which time any unexercised Warrants shall expire.

b. Method of Exercise; Cashless Exercise. A Holder of any Warrant Certificate may exercise any such Warrants from time to time during the Exercise Period to purchase Warrant Shares upon (1) the surrender of such Warrant Certificate evidencing such Warrants, and (2) the payment of the applicable Exercise Price in cash, by certified or cashier's check payable to the order of Company or by wire transfer to Company. As an alternative to paying such Exercise Price (or any portion thereof) in cash, a Holder may instead elect to effect a cashless exercise pursuant to which such Holder will receive in exchange for such tendered Warrants an amount of Warrant Shares determined by multiplying (a) the number of Warrant Shares into which such Holder would otherwise be entitled as a result of such exercise by (b) a fraction (i) the numerator of which is the difference between the then Current Market Price per Warrant Share and the Exercise Price then in effect and (ii) the denominator of which is the then Current Market Price per Warrant Share. Such surrender and payment must occur at an office of Company or at such other address as Company may specify in writing to the then registered Holder of such Warrant Certificate.

c. Issuance of Warrant Shares Upon Exercise. Upon surrender of any Warrant Certificate and payment of the applicable Exercise Price (as described above in this Section), then Company shall issue, sell and deliver to or upon the instructions of the Holder of such Warrant Certificate and/or its designee one or more certificates evidencing in the aggregate the number of Warrant Shares represented by such Warrant Certificate that are then being purchased (each of which Warrant Shares shall be validly issued, fully paid and nonassessable). Any persons so designated to be named therein shall be deemed to have become a Holder of record of such Warrant Shares as of the date of exercise of such Warrants. If less than all of the Warrants evidenced by a Warrant Certificate are exercised at any time prior to the last day of the Exercise Period, then Company shall issue to such Holder (or its designee) one or more new Warrant Certificates evidencing the

remaining number of Warrants evidenced by such Warrant Certificate that are not then exercised by Holder.

d. Rights of a Holder of Warrant Shares Upon Exercise. Upon any exercise of Warrants by a Holder entitled thereto in accordance with and as provided under this Agreement, the Holder of such issued Warrant Shares shall be entitled to all of the rights and benefits of a holder of Common Stock under the Organic Documents of Company as well as the rights and benefits of a Holder of Warrant Shares under this Agreement (notwithstanding any provision of such Organic Documents to the contrary). To the extent that the rights and benefits of a holder of Capital Stock under the Organic Documents are inconsistent with or less favorable than the rights and benefits of a Holder of Warrant Shares under this Agreement, then the terms and provisions of this Agreement shall control and govern with respect to the rights and benefits of such Holder.

4.3. Transfers of Warrants and Warrant Shares.

a. General Transferability. Except as otherwise expressly provided herein, upon compliance with any applicable requirements under the Securities Act and the laws, regulations and orders of and/or administered by each State PUC (to the extent failure to so comply could reasonably be expected to have or cause a material adverse effect on the operations of Company) or the FCC, then the Warrants, the corresponding Warrant Certificates and the Warrant Shares may be transferred by a Holder from time to time in whole or in part upon complying with the applicable restrictions under this Section (but without the necessity of otherwise obtaining any consent of Company).

b. Treatment of Holder Prior to Notice of Transfer. Prior to receiving notice of any such transfer (either from such Holder or from such transferee), Company shall be otherwise entitled to treat such known Holder as the Holder of record hereunder for purposes of giving and receiving notices and for purposes of exercising rights hereunder.

c. Rights of a Subsequent Holder. Unless otherwise limited or restricted pursuant to the document of transfer, then a subsequent Holder of Warrants, Warrant Certificates or Warrant Shares hereunder shall be entitled to all of the rights and benefits of the transferring Holder under this Agreement and under the Organic Documents.

4.4. Registration and Related Rights.

a. Incidental Registration in a Public Offering. Each Holder of Warrant Shares and each Holder of Warrants shall have the right to require Company to include all or (at such Holder's election) any portion of such Warrant Shares and the Warrant Shares purchasable upon exercise of any such Warrants in any Public Offering of Company's securities.

Company shall give written notice to each Holder of Warrants and each Holder of Warrant Shares (at each such Holder's last known address as it appears on Company's books and records) promptly after the occurrence of any of the following events: (i) Company deciding to proceed with any registration of securities that would constitute a Public Offering if declared effective, or (ii) the initial filing of a registration statement with the Commission pertaining to any Public Offering, or (iii) any amendment, supplement or modification to any registration statement for a Public Offering by Company (other than amendments, supplements and modifications that occur automatically through incorporation by reference as a result of subsequently prepared publicly available materials),

or (iv) any withdrawal of any registration statement for a Public Offering by Company. Once any such registration statement is declared effective by the Commission, then Company may not amend or modify it without providing each Holder of Warrants and each Holder of Warrant Shares with written notice thereof at least 5 Business Days prior to filing any such amendment or modification with the Commission.

In connection with any such Public Offering, Company shall enter into an underwriting agreement with one or more underwriters that shall provide, among other things, that the underwriters shall offer to purchase at the closing of such Public Offering all of the Warrant Shares and all of the Warrants (or such lesser portion thereof as any Holder may request) at the price paid by the underwriters for the Capital Stock (or if a security convertible into or exchangeable for, or rights to purchase, Capital Stock, then the conversion, exchange or purchase price for the Capital Stock provided for by such security less the conversion, exchange or exercise premium on the date of such offering) sold by Company and/or any selling shareholders (less, with respect to Warrants, the applicable Exercise Price then in effect). Notwithstanding the foregoing, if the underwriters shall advise Company in writing that, in their experience and professional opinion arrived at in good faith based upon existing market conditions, inclusion of such number of Warrant Shares (together with the shares of Capital Stock requested for registration by any other selling equityholders) will adversely affect the price or distribution of the securities to be offered in such Public Offering solely for the account of Company, then (1) Company shall promptly furnish each such Holder with a copy of such written advice by the underwriters, and (2) such Holders shall then have the right to include only such number of Warrant Shares and Warrants that such advice by the underwriters indicates may be distributed without adversely affecting the distribution of the securities solely for Company's account. As among Holders of Warrant Shares and/or Warrants, such availability for inclusion in the registration for such Public Offering shall be allocated pro rata based upon the total number of Warrant Shares owned or purchasable by such Holder. As between such Holders and any other holders of Capital Stock requesting to be included in such Public Offering, priority for inclusion in the registration for such Public Offering shall be given to the Holders of Warrant Shares and Warrants.

In connection with any Public Offering, provided that all other holders of equity interests of Company are subject to identical (or more restrictive) restrictions with respect to their equity interests, then each Holder of Warrants and each Holder of Warrant Shares shall agree to refrain from selling or otherwise transferring (other than to a Holder-Affiliated Transferee) any Warrant Shares not included in such Public Offering for a period of time (not to exceed 90 calendar days after the effective date of the registration statement for such Public Offering) as may be appropriate under the circumstances and reasonably requested by Company and the underwriters for such offering.

b. Demand Registration. In addition to any other registration rights to which any Holder is entitled, at any time and from time to time after the date hereof, Company (upon each request of Holders of at least 50% of the Warrant Shares and Warrants) shall prepare, shall file with the Commission and shall use its best efforts to cause to become effective as promptly as reasonably possible a registration statement (on Form S-3 or any successor form, if available) covering such number of Warrant Shares owned or then purchasable as is requested by such Holders. Notwithstanding the foregoing, Company shall not be required to so prepare and file upon the demand of such Holders either (a) more than three (3) such registration statements that are declared effective by the Commission and maintained in effect by Company for at least 90 consecutive

calendar days and are not on a Form S-3 (or any successor form) or (b) any such registration statement within the first 90 calendar days after the closing of a Public Offering that was effective for at least 90 consecutive calendar days and in which 50% or more of the Warrant Shares and Warrants were included.

In connection with any such demand registration, Company shall use its best efforts to engage (or, at Holders' request, shall use its best efforts to assist Holders in engaging) one or more underwriters to purchase on a best-efforts or a firm-offer basis the Warrant Shares owned or then purchasable at the price at which such Warrant Shares are to be resold under such registration statement less the underwriters' discount (less, with respect to Warrants, the applicable Exercise Price then in effect). The registration statement shall also provide that sales of the Warrant Shares may be made by dealers, on an exchange if listed, directly to purchasers or in any other manner. No such registration statement filed pursuant to this demand registration provision (without the consent of Holders of at least 50% of the total Warrant Shares and Warrants) may relate to any securities other than the Warrant Shares, and no other securities may be sold incidentally to any such underwritten public offering of Warrant Shares so registered.

In connection with any such demand registration, Company shall keep effective and maintain the registration, qualification, approval or listing covering the Warrant Shares for a period of at least 90 consecutive calendar days (or in the event such registration is on Form S-3 or any successor form, on a continuous basis). Company from time to time shall amend or supplement the prospectus and registration statement used in connection with any such registration to the extent necessary to comply with applicable law (including to reflect additional information relating to the plan of distribution), and shall immediately advise each Holder if any such prospectus or registration statement does not so comply and/or if any stop order or similar order is issued or threatened or any request for amendment or supplement is received from any regulatory agency. Company shall make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment. Company shall comply with all other applicable laws in connection with any offering of Warrant Shares and will promptly make available an earnings statement in accordance with Section 11(a) of the Securities Act and the regulations promulgated thereunder.

c. Holders Entitled to Equivalent Rights. If Company has otherwise granted or hereafter grants to any Person any other or additional registration rights with respect to any securities of Company (or similar registration rights with any more favorable or less restrictive terms), then Company will promptly notify each Holder of Warrants and each Holder of Warrant Shares, and such registration rights (or the more favorable or less restrictive terms thereof) will be deemed automatically to be incorporated into this Agreement (without the necessity of any other action by the parties hereto) as additional registration rights that each Holder is entitled to exercise.

d. Sales Through Underwriters and Dealers. Company shall effect the registration or qualification of the Warrant Shares, and the notification to or approval of any governmental authority under any federal or state law, and the listing with any securities exchange on which the Common Stock is listed, in each instance as may be necessary to permit the sale of Warrant Shares through underwriters, and, in the case of a demand registration hereunder, also through dealers, on an exchange, directly to purchasers or in any other manner.

e. Certain Additional Agreements in Connection with Registrations. In connection with any Public Offering, Company (1) shall enter into, execute and deliver all agreements and other instruments and documents (including opinions of counsel, comfort letters and underwriting agreements) that are customary and appropriate with such public offerings, and (2) shall cooperate with any underwriters to facilitate sales of the Warrant Shares to the same extent as if such Warrant Shares were being offered directly by Company, and (3) shall furnish each Holder such numbers of copies of registration statements and prospectuses (and amendments and supplements thereto) as such Holder may reasonably request, and (4) shall take all such other actions as are necessary or advisable to facilitate the registration and sale of such Warrant Shares. In connection with any Public Offering as to which any Holder is requesting registration of Warrant Shares, each such Holder (i) shall provide Company with such information regarding itself, himself or herself as may be reasonably required by Company, and (ii) shall reasonably cooperate with Company in the preparation of the registration statement, and (iii) shall enter into, execute and deliver all agreements and other instruments and documents that are customary and appropriate for selling equityholders to execute in connection with a secondary public offering.

f. Indemnification by Company. In connection with any offering of Warrant Shares pursuant to the provisions of this Section, Company hereby indemnifies and holds harmless each Holder of Warrants and each Holder of Warrant Shares (and the directors, officers and controlling Persons of each such Holder), each other Person (if any) who acts on behalf of or at the request of any such Holder, each underwriter, and each other Person who participates in the offering of Warrant Shares (collectively, for purposes of this Clause, the "Indemnified Parties") against any losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject under the Securities Act or any other statute or at common law, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon either of the following:

(i) any untrue statement or alleged untrue statement of any material fact contained (on the effective date thereof) in any registration statement (or any amendment thereto) under which such Warrant Shares were registered under the Securities Act, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or

(ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or

(iii) any violation by Company of any federal or state law, rule or regulation applicable to Company in connection with any registration statement or prospectus (or any amendment or supplement thereto).

Company shall also reimburse each such Indemnified Party for any legal or any other expenses reasonably incurred in connection with investigating or defending any such loss, claim, damage, liability or action. Notwithstanding the foregoing, Company shall not be liable to an Indemnified Party in any such case to the extent that any such loss, claim, damage or liability arises out of or is

based upon any untrue or alleged untrue statement or omission or alleged omission made in such registration statement, preliminary prospectus, prospectus, or amendment or supplement in reliance upon and in conformity with written information furnished to Company through an instrument duly executed by such Indemnified Party specifically stating that it is expressly for use therein. Such indemnity shall remain in full force and effect and shall survive the transfer of such Warrants or Warrant Shares by any such Holder.

g. Indemnification by Holders. Each Holder whose Warrant Shares are sold under any registration statement pursuant to this Section (by inclusion of such Warrant Shares thereunder) shall indemnify and hold harmless Company (the officers, directors and controlling Persons thereof), each other Holder of Warrants and each other Holder of Warrant Shares (and the directors, officers and controlling Persons of each such Holder), each other Person (if any) who acts on behalf of or at the request of Company or such other Holder, each underwriter, and each other Person who participates in the offering of Warrant Shares (collectively, for purposes of this Clause, the "Indemnified Parties") against any losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject under the Securities Act or any other statute or at common law, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon either of the following:

(i) any untrue statement or alleged untrue statement of any material fact contained (on the effective date thereof) in any registration statement (or any amendment thereto) under which such Warrant Shares were registered under the Securities Act at the request of such Holder, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or

(ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

but only to the extent (with respect to either of the foregoing Clauses) that such untrue statement or alleged untrue statement or omission or alleged omission was made in such registration statement, preliminary prospectus, prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to Company through an instrument duly executed by such Holder specifically stating that it is expressly for use therein. Each such Holder shall also reimburse each such Indemnified Party for any legal or any other expenses reasonably incurred in connection with investigating or defending any such loss, claim, damage, liability or action. Notwithstanding the foregoing, no such Holder shall be liable to any Indemnified Party in any such instance to the extent (a) such loss, claim, damage or liability relates to any untrue statement or omission, or any alleged untrue statement or omission, made in a preliminary prospectus but eliminated or remedied in a final prospectus, and (b) a copy of the final prospectus was not delivered to the Person asserting the claim at or prior to the time required by the Securities Act in an instance for which delivery thereof would have constituted a defense to the claim asserted by such Person.

h. Certain Notices and Other Rights Relating to Indemnification. A party from whom indemnity may be sought pursuant to the provisions of this Section shall not be liable for such indemnity with respect to any claim as to which indemnity is sought unless the party seeking such indemnity shall have notified such indemnifying party in writing of the nature of such claim promptly after such indemnified party becomes aware of the assertion thereof. Notwithstanding the foregoing, the failure to so notify such indemnifying party shall not relieve such party from any liability which it may have to such indemnified party otherwise than on account of the provisions of this Section or if the failure to give such notice promptly shall not have been prejudicial to such indemnifying party. No indemnifying party shall be liable for any compromise or settlement of any such action effected without its consent. No indemnifying party (in the defense of any such claim or suit), without the consent of each indemnified party, shall consent to any compromise or settlement that does not include as an unconditional term thereof the giving by the claimant to such indemnified party of a complete release from all liability in respect of such claim or suit.

i. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Section for any reason is held to be unenforceable although applicable in accordance with its terms, Company and the Holders, as amongst themselves, shall contribute to the losses, claims, damages, liabilities and expenses described herein in such proportions so that the portion thereof for which any Holder shall be responsible shall be limited to the portion determined by a court or the parties to any settlement to be directly attributable to an untrue statement of a material fact or an omission to state a material fact in a registration statement, preliminary prospectus, prospectus or amendment or supplement thereto in specific reliance upon and in conformity with written information furnished to Company through an instrument duly executed by such Holder specifically stating that it is expressly for use therein, and Company shall be responsible for the balance. Notwithstanding the foregoing, the liability of each Holder shall be limited to the net proceeds received by such Holder from the sale of the Warrant Shares sold by it thereunder. Company and the Holders agree that it would not be just and equitable if their respective obligations to contribute were to be determined by pro rata allocation, by reference to the proceeds realized by them or in any manner which does not take into account the equitable considerations set forth in this Clause.

4.5. Rights Upon Equity Dispositions, Equity Redemptions and Non-Surviving Transactions.

a. Offer to Purchase. In connection with any Equity Disposition, any Equity Redemption or any Non-Surviving Transaction, Company or the acquiror in any such transaction shall also offer to purchase on the terms set forth below all of the Warrant Shares and all of the Warrants. If an Equity Disposition or an Equity Redemption is of less than all of the Capital Stock then outstanding, then the number of Warrants and Warrant Shares subject to purchase under this Section shall be reduced proportionately (to the nearest whole number), and such reduced number will be allocated pro rata among all Holders desiring to tender Warrant Shares or Warrants in connection with such transaction.

b. Notice of Proposed Transaction. Company shall give written notice to each Holder of Warrants and each Holder of Warrant Shares (at each such Holder's last known address as it appears on Company's books and records) promptly after an agreement in principle is reached with

respect to any Equity Disposition, any Equity Redemption or any Non-Surviving Transaction (but, in any event, at least 30 calendar days prior to the closing of any such transaction).

c. Purchase Price. If a Holder accepts the offer under this Section, then (as a condition to consummation of such Equity Disposition, Equity Redemption or Non-Surviving Transaction) either Company or such acquiror shall purchase (either before or concurrently with the consummation of such transaction) all Warrants and Warrant Shares tendered by a Holder thereof at an aggregate price equal to the product of (1) the aggregate consideration received by all sellers and transferors in connection with such transaction or series of related transactions (including the consideration to be received by the holders of Warrants and Warrant Shares pursuant to this provision) and (2) a fraction the numerator of which is the number of Warrants and Warrant Shares tendered for purchase in connection with such transaction or series of related transactions and the denominator of which is the sum of the number of shares of Common Stock outstanding immediately prior to such transaction or series of related transactions plus the number of Warrants then outstanding (which product shall be net of the applicable Exercise Price then in effect with respect to Warrants tendered but not with respect to Warrant Shares tendered).

d. Payment of Purchase Price. Company (either before or concurrently with the consummation of such transactions) shall distribute to the respective Holders of Warrants and Warrant Shares (or to such other Person as such Holder may direct Company in writing) the applicable purchase price for each tendered Warrant Share and Warrant. Such payment, except as otherwise provided in this Clause, shall be in immediately available funds (i.e., in cash, by certified or cashier's check, or by wire transfer) or by any other means acceptable to such Holder. In addition, Company shall also deliver to each such Holder (as and to the extent applicable) a return or re-issuance of Warrants and Warrant Shares not purchased in connection with any such transaction. To the extent that any consideration for such transaction is payable by such acquiror in cash, in publicly traded and readily marketable securities (with reasonable liquidity and no restrictions on transfer) or evidence of indebtedness from an obligor who (in the commercially reasonable opinion of Holders) is highly creditworthy, then the purchase price payable to Holders may be in the same form of consideration; otherwise, the purchase price (or the remaining balance thereof) payable to Holders shall be in immediately available funds. Notwithstanding the foregoing, in connection with any such Equity Disposition, Equity Redemption or Non-Surviving Transaction, each Holder may elect (at its option) to receive the purchase price payable under this Section pro rata in kind in the same form of consideration as is to be received by Company or such selling equityholder.

e. Determination of "Aggregate Consideration". Unless the entire consideration in such transaction consists of cash or unless otherwise agreed by Holders of Warrants and Warrant Shares, then the "aggregate consideration" to be received by all sellers and transferors in connection with an Equity Disposition, Equity Redemption or Non-Surviving Transaction shall be determined by an Independent Appraiser selected by Holders of a majority of the Warrants and Warrant Shares and approved by Company (which approval may not be unreasonably withheld, delayed or conditioned). Such Independent Appraiser shall use one or more valuation methods that the Independent Appraiser (in its best professional judgment) determines to be most appropriate under the circumstances; provided, that (i) such valuation methods shall take into account any related agreements that result in personal gain, payments or compensation to any director, officer or equityholder of Company, and (ii) such valuation methods shall not give effect to (1) any discount for any lack of liquidity or minority status, or (2) the fact that such equity securities may not be

registered under the Securities Act. Such Independent Appraiser, as promptly as is reasonably possible, will prepare and deliver to Company and to each Holder of a Warrant or Warrant Share a written valuation report indicating (a) the methods of valuation considered or used, and (b) the value of the "aggregate consideration" paid by the acquiror in connection with the particular Equity Disposition or Non-Surviving Transaction or otherwise received by the sellers and transferors in connection therewith, and (c) the nature and scope of the examination or investigation upon which the determination of value was made. Unless the valuation report is revised by the Independent Appraiser within 5 Business Days after delivery thereof or unless Company and Holders otherwise mutually agree, then the valuation report shall be deemed final at the end of such 5-Business-Day period. Company shall pay the fees and expenses associated with the Independent Appraiser.

4.6. Repurchase Offers.

a. Offer to Repurchase. Within 30 calendar days following the occurrence of any Repurchase Condition, Company and each Borrower (jointly and severally) shall make a written offer (each, a "Repurchase Offer") to repurchase at the Repurchase Price up to all of the Warrant Shares and Warrants owned by each Holder. Each such Repurchase Offer (among other things) shall indicate the date of occurrence of the relevant Repurchase Condition and shall provide a calculation of the Current Market Price per Warrant Share (together with a copy of documentation supporting such calculation). Each such Repurchase Offer shall be delivered by Company to each such Holder entitled thereto by first-class mail to the last known address of such Holder on the books and records of Company.

b. "Repurchase Condition". A "Repurchase Condition" will be deemed to occur (1) at any time after November 1, 2004 upon a written request from Holders of at least 50% of the outstanding Warrants and Warrant Shares, and (2) upon any full repayment of the indebtedness under the Loan Documents, and (3) upon the occurrence of any Event of Default under and as defined in the Credit Agreement, and (4) upon any agreement by Company or holders of Capital Stock to engage in an Equity Disposition or a Non-Surviving Transaction, and (5) upon any attempt by any Holder to exercise the Warrants in accordance with the terms hereof at a time when Company is legally, regulatorily or otherwise not authorized or permitted to issue the corresponding Warrant Shares.

c. "Repurchase Price". The "Repurchase Price" for each Warrant and Warrant Share in connection with any such Repurchase Offer will be the Current Market Price per Warrant Share, less with respect to Warrants (but not Warrant Shares) the applicable Exercise Price then in effect.

d. Acceptance of Repurchase Offer. At any time within 60 calendar days after a Holder receives a Repurchase Offer (together with a final written valuation report), each such Holder may accept such Repurchase Offer by agreeing to tender for repurchase by Company all or any portion of such Holder's Warrant Shares and Warrants.

e. Payment of Purchase Price. Within 30 calendar days of receiving any such agreement to tender Warrant Shares or Warrants, Company and each Borrower (jointly and severally) shall distribute to each such Holder (or to such other Person as such Holder may direct Company in writing) the applicable Repurchase Price for each such tendered Warrant Share and Warrant in cash, by certified or cashier's check, by wire transfer or by any other means acceptable to

such Holder (concurrently with which distribution, such Holder shall deliver to Company the Warrant Certificates and/or Warrant Shares). In addition, Company shall also deliver to each such Holder (as and to the extent applicable) a return or re-issuance of Warrants and Warrant Shares not tendered for repurchase. Notwithstanding the foregoing, with respect to the Repurchase Condition occurring concurrently with any full repayment of the indebtedness under the Loan Documents under Clause "b(2)" above, unless the Holders otherwise consent, Company and each Borrower (jointly and severally) shall establish a cash escrow of the Repurchase Price with a "well capitalized" depository institution concurrently with any such full repayment of the indebtedness under the Loan Documents (but such cash escrow shall be returned to Company if the Holders elect not to accept such Repurchase Offer).

4.7. **Cumulative Rights.** The rights of Holders upon the occurrence of events set forth in this Article 4 are cumulative. If more than one such event occurs simultaneously (or the time period for exercising any such rights overlaps), then each Holder can elect which rights (if any) to exercise and any prior inclusion or surrender of Warrants or Warrant Shares with respect to a transaction that has not yet closed may be rescinded by such Holder during such overlapping period in order to exercise rights arising under any concurrently occurring event.

4.8. **Exercise of Rights Conditioned Upon Closing of Transaction Involved.** The rights of Holders to have Warrants or Warrant Shares included and sold in any Public Offering or purchased in any Equity Disposition or Non-Surviving Transaction pursuant to this Article 4 are conditioned upon the consummation of the proposed transaction. Neither Company nor any equityholder involved in any such proposed transaction shall have any obligation to Holders to consummate any such proposed transaction once an agreement in principle or decision to proceed with respect thereto is reached, except as expressly provided in this Article 4.

4.9. **Payment of Taxes and Expenses.** Company will pay all expenses (including reasonable costs and expenses of Holders and legal counsel thereto, but excluding underwriter's and/or broker's discounts and commissions), taxes (other than income taxes) and other fees and charges attributable to the issuance, registration, qualification, notification, approval, listing, transfer pursuant to Section 4.5, and/or repurchase of the Warrants, the Warrant Certificates and the Warrant Shares.

4.10. **Reservation and Issuance of Warrant Shares.** Company at all times shall reserve (and keep free from preemptive rights or similar rights of equityholders of Company) among its authorized but unissued shares of Capital Stock the full number of Warrant Shares deliverable upon exercise of all of the Warrants. Company covenants that all Warrant Shares (when and if issued upon exercise of the Warrants in accordance with the terms hereof) will be duly authorized, validly issued, fully paid and nonassessable (and will be free from all taxes, liens, charges and security interests with respect to the issuance thereof). Before taking any action that could cause an adjustment pursuant to Article 5, Company will take any corporate action that (in the opinion of its counsel) may be necessary or appropriate in order that Company may validly and legally issue fully paid and nonassessable Warrant Shares at the applicable Exercise Price as so adjusted.

4.11. **Corrective Adjustments.** Company hereby acknowledges that Purchaser has relied upon, among other things, the representation and warranty set forth in Section 3.6 regarding the outstanding Capital Stock of Company and the rights to acquire Capital Stock of Company as of the

date of this Agreement. If it is later determined that the representation and warranty set forth in Section 3.6 is untrue or inaccurate such that the outstanding Capital Stock or rights to acquire Capital Stock are greater than the amount disclosed therein, then Company shall notify each Holder in writing within 10 Business Days of discovering such inaccuracy and shall promptly prepare, execute and deliver to the Holders such additional documents and certificates as are necessary to equitably adjust the Warrants and Warrant Shares deliverable upon exercise of all Warrants for the benefit of Holders. Such adjustment shall include the issuance of additional Warrants and/or the reduction in Exercise Price of the Warrants, as approved in writing by Holders of a majority of the Warrants.

4.12. **Listing of Shares.** If Company lists any shares of Common Stock on any national securities exchange, inter-dealer quotation system or other market, then Company (at its expense) will use its best efforts to cause the Warrant Shares to be approved for listing, subject to notice of issuance, and will provide prompt notice to each such exchange, system or other market of the issuance thereof from time to time.

4.13. **Lists of Holders.** Company (from time to time upon the request of any Holder) will provide such Holder with a list of the registered Holders and their respective addresses.

4.14. **Statement of Warrant Interest.** Company (from time to time upon the request of any Holder) will provide such Holder with a statement of such Holder's interest in Company containing the following information (as applicable): (a) the number of Warrants then owned of record by such Holder, and (b) the number of Warrant Shares purchasable upon the exercise of each Warrant then owned of record by such Holder, and (c) the Exercise Price of each Warrant then owned of record by such Holder, and (d) the number of Warrant Shares then owned of record by such Holder, and (e) a chart describing (in reasonable detail) the then current capitalization of Company.

4.15. **Right of Inspection.** At any time and from time to time during normal business hours (and upon reasonable prior written notice) Company will permit an agent or representative of any Holder (at such Holder's cost and expense) (i) to visit, and (ii) to examine and make copies of and abstracts from the books and records of Company and its Subsidiaries, and (iii) to discuss the affairs, finances, and accounts of Company and its Subsidiaries with any of their respective officers, directors and independent accountants.

4.16. **Attendance and Participation Rights.** So long as the Warrants and Warrant Shares of Holders (together with all other Capital Stock owned by any Holder) collectively represent 1% or more of the Common Stock (on a fully diluted basis), then a representative of Holders shall be entitled (if at any time hereafter Holders so elect) to attend each of the meetings of Company's Board of Directors (including, each committee thereof). Notwithstanding the foregoing, at the request of Company, representatives of Holders may be required temporarily to leave any such meeting of the Board of Directors if such action is necessary to preserve Company's attorney-client privilege with respect to such meetings or the information disseminated therein. In addition, at all times while any Holder owns Warrant Shares representing 5% or more of the issued and outstanding Capital Stock (together with all other Capital Stock owned by any Holder), then such Holder shall be entitled (if such Holder at any time hereafter so elects) to a pro rata percent of the positions on the Board of Directors (and each committee thereof) of Company (rounded upwards to the next whole number).

4.17. **Compliance with Approval Requirements.** If any Warrants or Warrant Shares require registration or approval of the FCC, any State PUC or any other governmental authority (or the taking of any other action under the laws of the United States of America or any political subdivision thereof) before such securities may be validly issued, then Company will secure and maintain such registration or approval or will take such other action as and when necessary.

4.18.

ARTICLE 5. ANTI-DILUTION PROVISIONS

5.1. **Adjustments to Warrant Shares Purchasable and Exercise Price.**

a. **Equity Dividends, Restructurings and Reclassifications.** If Company at any time (1) declares or pays a dividend on its outstanding Capital Stock in shares of Common Stock or other securities of Company, or (2) subdivides its outstanding shares of Common Stock, or (3) combines its outstanding shares of Common Stock into a smaller number of shares, or (4) issues by reclassification of the Common Stock other securities of Company (including any such reclassification in connection with a merger, consolidation or other business combination in which Company is the surviving entity), then the number and kind of Warrant Shares purchasable upon exercise of each Warrant and the applicable Exercise Price therefor shall be adjusted so that each Holder of a Warrant upon exercise of such Warrant shall be entitled to receive (for the same aggregate Exercise Price) the aggregate number and kind of Warrant Shares or other securities of Company that such Holder would have owned or would have been entitled to receive after the occurrence of any such event had such Warrant been exercised immediately prior to the occurrence of such event (or, if earlier, any record date with respect thereto). Any adjustment required by this Clause (a) shall become effective on the date of such event retroactive to the record date with respect thereto (if any), and (b) shall be made successively whenever any such event occurs.

b. **Issuances Below Current Market Price.** If Company issues or sells any shares of Capital Stock (or rights, options, warrants or convertible or exchangeable securities containing a right to subscribe for or purchase shares of Common Stock) for no consideration or at a price per share less than the Current Market Price per share of Common Stock in effect immediately prior to such sale or issuance, then the number of Warrant Shares owned and Warrant Shares thereafter purchasable upon the exercise of each Warrant shall be automatically increased to account for the economic effects of such transaction (and the applicable Exercise Price for such Warrants shall be proportionately decreased). If Company (i) issues or sells shares for consideration that includes any property other than cash or (ii) issues or sells shares together with other securities as a part of a unit at a price per unit, then the "price per share" and the amount of consideration received by Company for purposes of this Clause (unless Company and Holders otherwise mutually agree) will be determined by an Independent Appraiser. In addition, if Company and Holders are unable to agree on the amount or form of any such adjustment, then Company will retain an Independent Appraiser acceptable to Holders (which acceptance may not be unreasonably withheld) that will determine the amount and form of such adjustment. Any adjustment required by this Clause (1) shall become effective on the date of issuance retroactive to the record date for determining equityholders entitled to receive such issuance, and (2) shall be made successively whenever any such event occurs.

c. Dividend and Distribution Dilution. If any dividend, distribution or payment (whether as cash or other assets of Company) is made after the date hereof with respect to any Capital Stock or other equity securities of Company, other than dividends appropriately covered under Clause "a" above, then Company (concurrently with the payment thereof) shall make a corresponding proportionate distribution or payment to each Holder of Warrants and/or Warrant Shares equal to such Holder's percentage ownership of Company's outstanding Capital Stock (but, for such purposes, treating all Warrants as though they had then been exercised). Notwithstanding the foregoing, Company shall not be obligated to make any such distribution or payment to a Holder (and no Holder shall be entitled to receive such distribution or payment) to the extent that such Holder otherwise receives actual payment of the corresponding dividend or distribution as a holder of Warrant Shares in such class of equity security.

d. Catchall Anti-Dilution Protection. If Company otherwise issues any securities or instruments or engages in any transaction an effect of which is to dilute the economic value or voting rights of any Holder's Warrants or Warrant Shares (including the issuance of any securities or instruments with enhanced voting rights, preemptive rights, dividend preferences or liquidation preferences), then Company will implement an equitable adjustment to such Holder's interest in Company (in a manner reasonably acceptable to such Holder) in order to account for the effects of such transaction. Any adjustment required by this Clause shall be made successively whenever any such event occurs. If Company and Holders are unable to agree on the amount or form of any such equitable adjustment, then Company will retain an Independent Appraiser acceptable to Holders (which acceptance may not be unreasonably withheld) that will determine the amount and form of such equitable adjustment.

e. Preemptive Rights. If Company issues or sells any shares of Capital Stock (or rights, options, warrants or convertible or exchangeable securities containing the right to subscribe for or purchase shares of Capital Stock), then each Holder of Warrants and/or Warrant Shares shall be entitled at any time during the term of this Warrant Agreement to acquire (at the lesser of the price paid by such acquiror of Capital Stock or the Current Market Price therefor, and on terms and conditions otherwise at least as favorable as was offered to such acquiror) an amount of additional shares of Capital Stock that would entitle such Holder to have the same aggregate percentage of Capital Stock (on a fully diluted basis) as such Holder had or was entitled to have immediately prior to such transaction.

f. Rights Applicable to Shares Other than Common Stock. If at any time (as a result of an adjustment made pursuant to this Section 5.1) a Holder becomes entitled to receive any shares of Company other than shares of Common Stock, then thereafter the number of such other shares so receivable upon exercise of any Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Warrant Shares contained in this Section 5.1, and the provisions of Article 4 with respect to the Warrant Shares shall apply on like terms to such other shares.

g. Holders Entitled to Equivalent Rights. If Company has otherwise granted or hereafter grants to any Person any other or additional anti-dilution protection or preemptive rights with respect to any securities of Company (or similar protections or rights with any more favorable or less restrictive terms), then Company will promptly notify each Holder of Warrants and each Holder of Warrant Shares, and such protections and rights (or the more favorable or less restrictive

terms thereof) will be deemed automatically to be incorporated into this Agreement (without the necessity of any other action by the parties hereto) as additional protections and rights that each Holder is entitled to exercise.

h. Expiration of Rights Previously Subject to Adjustment. Upon the expiration of any rights, options or warrants that resulted in adjustments pursuant to this Section 5.1 that were not exercised, then the Exercise Price and the number of Warrant Shares purchasable shall be readjusted and thereafter shall be such as it would have been had it been originally adjusted (or had the original adjustment not been required, as applicable) as if (A) the only shares of Common Stock purchasable upon exercise of such rights, options or warrants were the shares of Common Stock (if any) actually issued or sold upon the exercise of such rights, options or warrants and (B) such shares of Common Stock so issued or sold (if any) were issuable for the consideration actually received by Company for the issuance, sale or grant of all such rights, options or warrants whether or not exercised; provided that no such readjustment may have the effect of increasing the Exercise Price or decreasing the number of Warrant Shares purchasable upon the exercise of a Warrant by an amount in excess of the amount of the adjustment initially made in respect to the issuance, sale or grant of such rights, options or warrants.

5.2. Notice of Adjustment. Upon any adjustment required under this Article 5, Company (at its expense) shall mail (within 10 Business Days after such adjustment) by first-class mail, postage prepaid, to each Holder of Warrants and each Holder of Warrant Shares a notice of such adjustment. Such notice shall include the following (each in reasonable detail): (i) the number of Warrant Shares purchasable upon the exercise of each Warrant and the Exercise Price of such Warrant after such adjustment, and (ii) a brief statement of the facts requiring such adjustment, and (iii) the computation by which such adjustment was made.

5.3. Preservation of Purchase Rights upon Certain Transactions. In connection with any merger, consolidation, reorganization or combination of Company with or into another Person (whether or not Company is the surviving entity), or any sale, transfer or lease to another Person of all or substantially all the property of Company, then Company (or such successor or purchasing Person) shall execute an agreement in favor of each Holder of Warrants giving such Holder the right thereafter upon payment of the applicable Exercise Price in effect immediately prior to such action to purchase upon exercise of each Warrant the kind and amount of securities, cash and property that such Holder would have owned or would have been entitled to receive after the happening of such merger, consolidation, combination, sale, transfer or lease had such Warrant been exercised immediately prior to such action. If any such successor, reorganized or purchasing Person is not a corporation taxed as a "C" corporation, then such Person shall also provide appropriate tax indemnification with respect to such shares and other securities and property so that, upon exercise of the Warrants, each Holder thereof will have the same benefits such Holder otherwise would have had if such successor or purchasing Person were a corporation. Such agreement shall provide for adjustments that shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 5. The provisions of this Section shall similarly apply to successive mergers, consolidations, combinations, sales, transfers or leases.

ARTICLE 6. COMPANY'S COVENANTS

6.1. Information.

a. Information Provided by Company to Other Persons. Whether or not Company is subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act, Company will provide each Holder with a copy of all information (including financial information) and other communications that are sent by or on behalf of Company (i) to any class of Company's equityholders, or (ii) to the members of Company's Board of Directors (if and to the extent subsequently requested by Holders), or (iii) to the Commission. Company shall provide such information and communications to Holders concurrently with providing it to such third parties.

b. Specific Additional Information. Company will also provide each Holder written notice of (and describing in reasonable detail) the occurrence of any of the following events:

1. Company offers or issues to any Person any shares of Capital Stock or securities convertible into or exchangeable for Capital Stock or any right to subscribe for or purchase any thereof; or
2. A dissolution, liquidation or winding up of Company; or
3. An agreement in principle is reached and/or a letter of intent is executed with respect to any Equity Disposition or Non-Surviving Transaction; or
4. Company declares or makes (directly or indirectly) any payment, dividend or distribution (in cash or otherwise) with respect to, or incurs any liability for the purchase, acquisition, redemption or retirement of, any Capital Stock or as a dividend, return of capital or other payment or distribution of any kind to any equityholder.

Each such notice shall be mailed by Company to each Holder (at such Holder's last known address on the books and records of Company) at least 20 Business Days prior to the applicable record date of such transaction.

c. Additional Requested Information. In addition to the information and disclosures otherwise required under this Agreement, Company will also provide to each Holder any information reasonably requested from time to time by such Holder relating to the operations, business plans and/or ownership of Company.

d. Disclosure of Information by Holders. Each Holder will employ reasonable procedures to treat as confidential all written, non-public information delivered to such Holder pursuant to this Agreement concerning the performance, operations, assets, structure and business plans of Company that is conspicuously designated by Company as confidential information. While other or different confidentiality procedures may be employed by each Holder, the actual procedures employed by such Holder for this purpose will be conclusively deemed to be reasonable if they are at least as protective of such information as the procedures generally employed by such Holder to safeguard the confidentiality of such Holder's own information that such Holder generally considers to be confidential. Notwithstanding the foregoing, each Holder may disclose any information concerning Company in such Holder's possession from time to time (a) to permitted participants, transferees, assignees, pledgees and investors (including prospective participants, transferees, assignees, pledgees and investors), but subject to a reasonable confidentiality agreement regarding any non-public confidential information thereby disclosed, and (b) in response to credit inquiries consistent with general banking practices, and (c) to any federal or state regulator of such Holder,

and (d) to such Holder's Affiliates, employees, legal counsel, appraisers, accountants, agents and investors, and (e) to any Person pursuant to compulsory judicial process, and (f) to any judicial or arbitration forum in connection with enforcing this Agreement or defending any action based upon this Agreement or the relationship between such Holder and Company, and (g) to any other Person with respect to the public or non-confidential portions of any such information. Moreover, each Holder (without any compensation, remuneration or notice to Company) may also include operational, performance and structural information and data relating to Company in compilations, reports and data bases assembled by such Holder (or its Affiliates) and used to conduct, support, assist in and validate portfolio, industry and credit research and analysis for itself and/or other Persons; provided, however, that such Holder may not thereby disclose to other Persons any information relating to Company in a manner that is attributable to Company unless (1) such disclosure is permitted under the standards outlined above in this Section or (2) Company otherwise separately consents thereto (which consent may not be unreasonably withheld).

6.2. **Books and Records.** Company and each of its Subsidiaries shall keep and maintain satisfactory and adequate books and records of account in accordance with generally accepted accounting principles.

6.3. **No Amendments to Organic Documents.** Without the prior written consent of Holders representing a majority of Warrant Shares and Warrants (which consent may not be unreasonably withheld), Company shall not permit any amendments to or reincorporation of its Organic Documents that could reasonably be expected to have or cause an adverse effect on the rights and interest of Holders. Without limiting the generality of the foregoing, without the prior written consent of Holders representing a majority of Warrant Shares and Warrants (which consent may not be unreasonably withheld), Company shall not establish any class of Capital Stock or issue any shares of Capital Stock that have rights, dividends or preferences senior to or more advantageous than the rights, dividends and preferences of the Warrant Shares.

6.4. **Existence and Good Standing.** Company and each of its Subsidiaries shall preserve and maintain its existence in good standing as a organization under the laws of its jurisdiction of organization.

6.5. **Transactions with Related Parties.** Without the prior written consent of Holders representing a majority of Warrant Shares and Warrants (which consent may not be unreasonably withheld), Company will not (and will not permit any Subsidiary to) engage in any transaction (including employment and compensation arrangements) with any Affiliate or other related party other than for value received and under reasonable and customary terms and conditions that are consistent with Company's historical practices and at least as favorable to Company as would be achieved in an arm's length transaction.

6.6. **Conduct of Business.** Without the prior written consent of Holders representing a majority of Warrant Shares and Warrants (which consent may not be unreasonably withheld), Company (a) will continue to engage in (and only in) businesses of the same general type as now conducted by it, and (b) will comply, and will cause each Subsidiary to comply, in all material respects with all applicable material laws, regulations, and orders.

ARTICLE 7 . DEFINITIONS

7.1. **Definitions.** As used herein, the following terms have the following respective meanings:

7.1.1. "**Affiliate**" of any Person means any other Person that directly or indirectly controls, is controlled by or is under direct or indirect common control with such Person. A Person shall be deemed to "control" another Person if such first Person directly or indirectly possesses the power to direct (or to cause the direction of or to materially influence) the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise. Without limiting the generality of the foregoing, each of the following Persons will be deemed to be an Affiliate of a Person: (a) each Person who owns or controls 5% or more of any class or series of any equity interest of such Person, and (b) each member, manager, partner, director and/or senior executive officer of such Person or any Affiliate thereof, and (c) any family member or other relative of such Person or any Affiliate thereof, and (d) any trust of which any Person or Affiliate thereof is either a trustee or beneficiary. Notwithstanding the foregoing, No Holder shall be deemed to be an Affiliate of Company or any Affiliate thereof.

7.1.2. "**Agreement**" means this Warrant Agreement, as amended, modified and supplemented from time to time.

7.1.3. "**Appraised Valuation**" means, as of any relevant date, the value of a Warrant Share, a share of Common Stock or other security or equity interest (as applicable) as determined by an Independent Appraiser. Such Independent Appraiser will be selected by Holders of a majority of the Warrants and Warrant Shares and approved by Company (which approval may not be unreasonably withheld, delayed or conditioned). Such Independent Appraiser shall use one or more valuation methods that the Independent Appraiser (in its best professional judgment) determines to be most appropriate under the circumstances; provided, that such valuation methods shall not give effect to (1) any discount for any lack of liquidity of the Warrants, Warrant Shares and/or such other security, or (2) the minority status of any holder of Warrants, Warrant Shares or other security, or (3) the fact that Company may have no class of equity securities registered under the Securities Act. Such Independent Appraiser, as promptly as is reasonably possible, will prepare and deliver to Company and to each Holder of a Warrant or Warrant Share a written valuation report indicating (a) the methods of valuation considered or used, and (b) the value of a Warrant Share or other security, and (c) the nature and scope of the examination or investigation upon which the determination of value was made. Unless the valuation report is revised by the Independent Appraiser within 5 Business Days after delivery thereof or unless Company and Holders otherwise mutually agree, then the valuation report shall be deemed final at the end of such 5-Business-Day period. Company shall pay the fees and expenses associated with the Independent Appraiser.

7.1.4. "**Block A Exercise Price**" has the meaning set forth in Section 1.2.

7.1.5. "**Block A Warrant**" means the irrevocable and unconditional right (subject to the terms hereof) to acquire a fully paid and nonassessable Warrant Share at a purchase price per share equal to the Block A Exercise Price (and any other right or warrant issued upon any exchange or transfer of any such Warrant or any adjustment relating thereto).

7.1.6. "**Block B Exercise Price**" has the meaning set forth in Section 1.2.

7.1.7. "Block B Warrant" means the irrevocable and unconditional right (subject to the terms hereof) to acquire a fully paid and nonassessable Warrant Share at a purchase price per share equal to the Block B Exercise Price (and any other right or warrant issued upon any exchange or transfer of any such Warrant or any adjustment relating thereto).

7.1.8. "Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in Arlington, Virginia are authorized by law to close.

7.1.9. "Capital Stock" means the Common Stock, and all other classes of common stock (whether voting or non-voting), and all other forms of capital stock or securities of Company (preferred or otherwise).

7.1.10. "Commission" means the Securities and Exchange Commission or any entity or agency that succeeds to any or all of its functions under the Securities Act or the Exchange Act.

7.1.11. "Common Stock" means the voting common stock of Company (which has a par value of \$0.01 per share).

7.1.12. "Company" means **BiznessOnline.com, Inc.**, a Delaware corporation, and its successors and permitted assigns.

7.1.13. "Credit Agreement" means the Credit Facility Agreement dated as of February ___, 2000 by and among Company (and certain of its Affiliates) and Lender (and certain other lenders), as the same may be amended, modified or otherwise supplemented from time to time (including any renewals, refinancings or extensions thereof or increases in the credit extended thereunder).

7.1.14. "Current Market Price" means, with respect to any share of Common Stock or any other security of Company at the date herein specified, the following:

(i) if Company does not then have such securities registered under the Exchange Act, then the Current Market Price per share of such security will be the greater of the applicable Exercise Price per Warrant Share then in effect or the Appraised Valuation per share of such security, or alternatively

(ii) if Company does then have such securities registered under the Exchange Act, then the Current Market Price per share of such security will be the greater of the applicable Exercise Price per Warrant Share then in effect or the Appraised Valuation per share of such security or the average of the daily market prices of such security for 20 consecutive Business Days during the period commencing 30 Business Days before such date (or, if Company has had a class of such securities registered under the Exchange Act for less than 30 consecutive Business Days before such date, then the average of the daily market prices for all of the Business Days before such date for which daily market prices are available). The market price for each such Business Day shall be as follows: (A) for a security listed or admitted to trading on any securities exchange, then the closing price (regular way) on such day (or if no sale takes place on such day, then the average of the closing bid and asked prices on such day), and (B) for a security not then listed or admitted to trading on any securities exchange, then the last reported sale price on such day (or if no sale takes place on such day, then the average of the closing bid and asked prices on such day, as reported by a reputable

quotation source designated by Company), and (C) for a security not then listed or admitted to trading on any securities exchange and as to which no such reported sale price or bid and asked prices are available, then the average of the reported high bid and low asked prices on such day, as reported by a reputable quotation service, or a newspaper of general circulation in Manhattan Borough (New York, NY) customarily published on each business day, designated by Company (or if there is no bid and asked prices on such day, then the average of the high bid and low asked prices, as so reported, on the most recent day (not more than 30 calendar days prior to the date in question) for which prices have been so reported), and (D) if there are no bid and asked prices reported during the 30 calendar days prior to the date in question, then the Current Market Price per share of the security shall be determined as if Company did not have a class of such securities registered under the Exchange Act.

7.1.15. "Equity Disposition" means the sale, issuance, transfer or other Equity Disposition of Capital Stock (or securities convertible into, or exchangeable for, Capital Stock or rights to acquire Capital Stock or such securities) to one or more Persons through any transaction or series of related transactions (other than as a result of a Public Offering) if, after such sale, issuance, transfer or Equity Disposition, the Initial Shareholders no longer beneficially own in the aggregate more than 50% of the Capital Stock and voting rights on a fully-diluted basis (without giving effect to any Warrant Shares purchased or purchasable) then outstanding. For purposes of this definition, any transfer of Capital Stock (or securities convertible into, or exchangeable for, Capital Stock or rights to acquire Capital Stock or such securities) by a shareholder to any member of his or her immediately family or to any trust for which he or she is the trustee shall not constitute an "Equity Disposition" provided that such shareholder retains control over the voting rights associated with such Capital Stock.

7.1.16. "Equity Redemption" means any purchase, repurchase, acquisition, redemption or retirement of any issued and outstanding shares of Capital Stock (or any rights, options or convertible securities therefor) from any holder by Company or any Affiliate thereof.

7.1.17. "Event of Dilution" means any of the events described in Section 5.1 as to which anti-dilution rights are granted pursuant to Article 5.

7.1.18. "Exchange Act" means the Securities and Exchange Act of 1934, as amended, or any similar Federal statute, as implemented by the Commission or any court of competent jurisdiction.

7.1.19. "Exercise Period" has the meaning set forth in Section 4.2.

7.1.20. "Exercise Price" means either the Block A Exercise Price or the Block B Exercise Price, as applicable.

7.1.21. "FCC" means the Federal Communications Commission or any other entity or agency that succeeds to its responsibilities and powers.

7.1.22. "Holder" means any owner or holder of any Warrant (and corresponding Warrant Certificate) or any Warrant Share, and (with respect to each) any successor, assignee, transferee, trustee, estate, heir, executor, administrator, or personal representative thereof.

7.1.23. "Holder-Affiliated Transferee" means any Affiliate of a Holder, and/or any current or former director, officer, employee, business unit or division, or successor-in-interest of such Holder, and/or (with respect to Purchaser) any pledgee of Purchaser's interest under the Credit Agreement.

7.1.24. "Independent Appraiser" means a Person who (a) is with a nationally recognized investment banking or appraisal firm, and (b) is qualified in the valuation of businesses, transactions and securities of the general type being analyzed, and (c) does not have a material direct or material indirect financial interest in Company or any Holder.

7.1.25. "Initial Public Offering" means the first time (after the effective date of this Agreement) that Company issues or otherwise offers for sale any Capital Stock (or securities convertible into, or exchangeable for, Capital Stock or rights to acquire Capital Stock or such securities) pursuant to a registration statement filed with the Commission under the Securities Act.

7.1.26. "Initial Shareholders" means, collectively, the holders of non-publicly traded Capital Stock of Company as of the effective date of this Agreement.

7.1.27. "Lender" means **MCG Finance Corporation**, a Delaware corporation, and its successors, assigns, pledgees and transferees.

7.1.28. "Non-Surviving Transaction" means either (a) any merger, consolidation or other business combination by Company with one or more Persons in which the other Person effectively is the survivor or (b) any sale, transfer, lease or license of all or any material portion of the assets (or the economic benefits thereof) of Company to one or more other Persons through any transaction or series of related transactions.

7.1.29. "Organic Document" means, relative to any entity, its certificate and articles of incorporation, organization or formation, its by-laws or operating agreements, and all equityholder agreements, voting agreements and similar arrangements applicable to any of its authorized shares of capital stock, its partnership interests or its equity interests, and any other arrangements relating to the control or management of any such entity (whether existing as a corporation, a partnership, an LLC or otherwise).

7.1.30. "Person" means an individual, an association, a partnership, a corporation, a trust or an unincorporated organization or any other entity or organization.

7.1.31. "Public Offering" means any issuance or other sale of any Capital Stock (or securities convertible into, or exchangeable for, Capital Stock or rights to acquire Capital Stock or such securities) of Company pursuant to a registration statement filed with the Commission under the Securities Act.

7.1.32. "Purchaser" means Lender, and its successors, assigns, pledgees and transferees with respect to the Warrants, corresponding Warrant Certificates and/or Warrant Shares.

7.1.33. "Registration Rights" means the rights of the Holders of the Warrant Certificates to have the Warrant Shares registered for sale under an effective registration statement under the Securities Act.

7.1.34. "Repurchase Condition" has the meaning set forth in Section 4.6.

7.1.35. "Repurchase Offer" has the meaning set forth in Section 4.6.

7.1.36. "Repurchase Price" has the meaning set forth in Section 4.6.

7.1.37. "Securities Act" means the Securities Act of 1933, as amended, or any similar Federal statute, as implemented by the Commission or any court of competent jurisdiction.

7.1.38. "State Communications Acts" means the laws of any state in which Company does business that govern the provision of communications services offered or performed by Company within such state and are applicable to Company, as amended from time to time, and as implemented by the rules, regulations, and orders of the applicable State PUC or any court of competent jurisdiction.

7.1.39. "State PUC" means the public utility commission or other regulatory agency of any state in which Company does business that is vested with jurisdiction over Company and over State Communications Acts or the provision of communication services within such state.

7.1.40. "Subsidiary" of any Person means (a) any other Person as to which the first Person directly or indirectly owns or controls 50% or more of the equity, voting rights or enterprise value thereof or (b) any other Person the accounts of which would be consolidated with those of the first Person in its consolidated or combined financial statements according to generally accepted accounting principles.

7.1.41. "Surviving Public Combination" means any merger, consolidation or other business combination by Company with one or more Persons in which Company is the survivor (or a purchase of assets by Company from one or more other Persons) if Company is thereafter required to file reports with respect to any of its Capital Stock with the Commission pursuant to the Exchange Act.

7.1.42. "Warrant Certificate" means a certificate (substantially in the form of Exhibit C) evidencing one or more Warrants.

7.1.43. "Warrant" means the irrevocable and unconditional right (subject to the terms hereof) to acquire a fully paid and nonassessable Warrant Share at a purchase price per share equal to an applicable Exercise Price (and any other right or warrant issued upon any exchange or transfer of any such Warrant or any adjustment relating thereto).

7.1.44. "Warrant Share" means a share of Common Stock issuable upon exercise of a Warrant (until such share is registered by Company and sold by the Holder thereof to a third party in a public transaction). For purposes of Section 4.4 and Section 4.5 only, the term "Warrant Share" shall include all shares of Common Stock issued or issuable to any Holder in connection with any Loan Document.

7.2. General Construction and Interpretation.

7.2.1. Plural; Gender. Unless otherwise expressly stated or the context clearly indicates a different intention, then (as may be appropriate in the particular context) (a) a singular

number or noun used herein includes the plural, and a plural number or noun includes the singular, and (b) the use of the masculine, feminine or neuter gender pronouns herein includes each and all genders.

7.2.2. Section, Schedule and Exhibit References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to sections, paragraphs, clauses, schedules and exhibits herein are to be interpreted as references to sections, paragraphs, clauses, schedules and exhibits of and to this Agreement. In addition, the words "herein", "hereof", "hereunder", "hereto" and other words of similar import herein refer to this Agreement as a whole, and not to any particular section, paragraph or clause in this Agreement.

7.2.3. Titles and Headings. Unless otherwise expressly stated or the context clearly indicates a different intention, then the various titles and headings herein are inserted for convenience only and do not affect the meaning or interpretation of any provision hereof.

7.2.4. "Including" and "Among Other" References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references herein to phrases containing or lists preceded by the words "include", "includes", "including", "among other", "among other things" or other words or phrases of similar import are to be interpreted to mean such "without limitation" (whether or not such additional phrase is actually added). In other words, such words and phrases connote an illustrative example or list rather than an exclusive example or list.

7.2.5. Time of Day References. Unless otherwise expressly stated or the context clearly indicates a different intention, then all time of day references in and restrictions imposed hereunder are to be calculated using Eastern Time.

7.2.6. Successors and Assigns. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to any Person (including any Official Body) herein are to be interpreted as including (as applicable) such Person's successors, assigns, estate, heirs, executors, administrators and personal representatives.

7.2.7. Modifications to Documents. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references herein to any other agreement or instrument are to be interpreted as including all extensions, renewals, amendments, supplements, substitutions, replacements and waivers thereto and thereof from time to time.

7.2.8. References to Laws and Regulations. Unless otherwise expressly stated or the context clearly indicates a different intention, then all references to any law, regulation, rule, order or policy herein are to be interpreted as references to such law, regulation, rule or policy (a) as implemented and interpreted from time to time by Official Bodies with appropriate jurisdiction therefor, and (b) as amended, modified, supplemented, replaced and repealed from time to time.

7.2.9. Financial and Accounting Terms. Unless otherwise expressly stated or the context clearly indicates a different intention, then financial and accounting terms used in the foregoing definitions or elsewhere herein shall be defined and determined in accordance with Generally Accepted Accounting Principles (GAAP).

ARTICLE 8 . MISCELLANEOUS

8.1. **Compliance with FCC and State PUC Requirements.** Company and Purchaser each hereby acknowledge its intent that this Agreement, the Warrants, the Warrant Certificates and the Warrant Shares (as well as the exercise of rights hereunder) each comply with all of the laws, regulations and orders of and/or administered by the FCC or any State PUC relating to Purchaser's ownership, exercise and/or other realization of rights in connection herewith. If at any time the terms and conditions of any such ownership, exercise or other ability to realize upon rights violates, is in conflict with or requires any consent under any such legal requirements, then Company and Purchaser (or any subsequent Holder) will cooperate and negotiate in good faith to amend the underlying documents (or the relevant rights therein) and/or to file and prosecute (or to cause others to file and prosecute) applications for any such consent in order to enable Company and Purchaser (or such subsequent Holder) to be in compliance with such legal requirements.

8.2. **Compliance with Purchaser's Regulatory Requirements.** Company and Purchaser each hereby acknowledge its intent that this Agreement, the Warrants, the Warrant Certificates and the Warrant Shares (as well as the exercise of rights hereunder) each comply with all of the statutory and regulatory requirements applicable to Purchaser (or any subsequent Holder) relating to its ownership, exercise and/or other realization of rights in connection herewith. If at any time the terms and conditions of any such ownership, exercise or other ability to realize upon rights violates or is in conflict with any such regulatory requirements applicable to Purchaser (or such subsequent Holder), then Company and Purchaser (or such subsequent Holder) will cooperate and negotiate in good faith to amend the underlying documents (or the relevant rights therein) in order to enable Purchaser (or such subsequent Holder) to be in compliance with such statutory and regulatory requirements.

8.3. **Binding Effect and Governing Law.** This Agreement (and the Warrants, the Warrant Certificates and other documents in connection herewith) are binding upon and inure to the benefit of the parties hereto and their respective successors and assigns (to the extent authorized). This Agreement (and the Warrants, the Warrant Certificates and other documents in connection herewith) are governed as to their validity, interpretation, construction and effect by the laws of the Commonwealth of Virginia (without giving effect to the conflicts of law rules of Virginia) or, to the extent that the particular issue in controversy involves Company's legal power or authorization in connection herewith, matters of internal governance, or matters of corporate law, then resolution of such issue shall be governed by the corporate laws of the State of Delaware.

8.4. **Survival.** All agreements, representations, warranties and covenants of Company contained herein or in any documentation required hereunder will survive the execution and delivery of this Agreement and will continue in full force and effect so long as this Agreement otherwise remains effective.

8.5. **No Waiver; Delay.** To be effective, any waiver by Purchaser must be expressed in a writing executed by Purchaser. If Purchaser waives any power, right or remedy arising hereunder or under any applicable law, then such waiver will not be deemed to be a waiver upon the later occurrence or recurrence of any events giving rise to the earlier waiver. No failure or delay by Purchaser to insist upon the strict performance of any term, condition, covenant or agreement hereunder, or to exercise any right, power or remedy hereunder, will constitute a waiver of compliance with any such term, condition, covenant or agreement, or preclude Purchaser from

exercising any such right, power, or remedy at any later time or times. The remedies provided herein are cumulative and not exclusive of each other and the remedies provided by law.

8.6. **Modification.** Except as otherwise expressly provided in this Agreement, no modification or amendment hereof will be effective unless made in a writing signed by appropriate officers of the parties hereto.

8.7. **Notices.** Unless otherwise provided in this Agreement, any notice, request, consent, waiver or other communication required or permitted under or in connection with this Agreement will be deemed satisfactorily given if it is in writing and is delivered either personally to the addressee thereof, or by prepaid registered or certified U.S. mail (return receipt requested), or by a nationally recognized commercial courier service with next-day delivery charges prepaid, or by telegraph, or by facsimile (voice confirmed), or by any other reasonable means of personal delivery to the party entitled thereto at its respective address set forth below:

If to Company [Party Entitled to Notice]
or its Affiliates: c/o BiznessOnline.com, Inc.

Attention: _____

Telephone: () ____ - ____

Facsimile: () ____ - ____

If to Purchaser: MCG Finance Corporation
 1100 Wilson Boulevard, Suite 800
 Arlington, VA 22209
 Attention: Investment Administration
 Telephone: (703) 247-7500
 Facsimile: (703) 247-7505

Any party to this Agreement may change its address or facsimile number for notice purposes by giving notice thereof to the other in accordance with this Section, provided that such change shall not be effective until 2 calendar days after notice of such change. All such notices and other communications will be deemed given and effective (a) if by mail, then upon actual receipt or 5 calendar days after mailing as provided above (whichever is earlier), or (b) if by facsimile, then upon successful transmittal to such party's designated number, or (c) if by telegraph, then upon actual receipt or 2 Business Days after delivery to the telegraph company (whichever is earlier), or (d) if by nationally recognized commercial courier service, then upon actual receipt or 2 Business Days after delivery to the courier service (whichever is earlier), or (e) if otherwise delivered, then upon actual receipt.

8.8. **Prior Agreements Superseded.** This Agreement completely and fully supersedes all oral agreements and all other and prior written agreements by and between Company and Purchaser concerning the terms and conditions of this Agreement.

8.9. **Severability.** If fulfillment of any provision of or any transaction related to this Agreement or the Credit Agreement, the time performance of such provision or transaction is due shall involve transcending the limit of validity prescribed by law, then ipso facto, the obligation to be

fulfilled shall be reduced to the limit of such validity. If any clause or provision of this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be void, as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

8.10. **Counterparts.** This Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document. Each such counterpart will be deemed to be an original but all counterparts together will constitute one and the same instrument.

8.11. **Limitation of Liability.** Notwithstanding any other provision of this Agreement (unless expressly provided otherwise), neither Company nor any Holder (nor any director, officer, employee, representative, legal counsel or agent of Company or any Holder) shall have any liability to any other Person that is a party to or beneficiary of this Agreement (or to any equityholder of Company) with respect to (and each Person that is a party to this Agreement hereby waives, releases and agrees not to sue upon any claim for) any special, indirect, consequential, punitive or non-foreseeable damages suffered by such Person in connection with or in any way related to the transactions contemplated or the relationship established by this Agreement, or any act, omission or event occurring in connection herewith.

8.12. **Forum Selection; Consent to Jurisdiction.** Any litigation in connection with or in any way related to this Agreement, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of any Holder or Company will be brought and maintained exclusively in the courts of the Commonwealth of Virginia or in the United States District Court for the Eastern District of Virginia; provided, however, that any suit seeking enforcement against Company may also be brought (at such Holder's option) in the courts of any other jurisdiction where any property of Company may be found or where any Holder may otherwise obtain personal jurisdiction over Company. Company hereby expressly and irrevocably submits to the jurisdiction of the courts of the Commonwealth of Virginia and of the United States District Court for the Eastern District of Virginia for the purpose of any such litigation as set forth above and irrevocably agrees to be bound by any final and non-appealable judgment rendered thereby in connection with such litigation. Company further irrevocably consents to the service of process by registered or certified mail, postage prepaid, or by personal service within or outside the Commonwealth of Virginia. Company hereby expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter may have to the laying of venue of any such litigation brought in any such court referred to above and any claim that any such litigation has been brought in an inconvenient forum. To the extent that Company has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) with respect to itself or its property, then Company hereby irrevocably waives such immunity in respect of its obligations under this Agreement.

8.13. **Waiver of Jury Trial.** Each Holder and Company each hereby knowingly, voluntarily and intentionally waives any rights it may have to a trial by jury in respect of any litigation (whether as claim, counter-claim, affirmative defense or otherwise) in connection

with or in any way related to this Agreement, or any course of conduct, course of dealing, statements (whether verbal or written), actions or inactions of any Holder or Company.

[BALANCE OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have caused this Warrant Agreement to be duly executed, as an instrument under seal (whether or not any such seals are physically attached hereto) as of the date and year first above written.

ATTEST:

BIZNESSONLINE.COM, INC. (Company)

By: _____
Name: _____
Title: Secretary

[CORPORATE SEAL]

By: _____
Name: _____
Title: President

Address: _____

Facsimile: () -

WITNESS:

MCG FINANCE CORPORATION
(Purchaser)

By: _____
Steven F. Tunney, COO and CFO

Address: 1100 Wilson Boulevard
Suite 800
Arlington, Virginia 22209

Facsimile: (703) 247-7505

EXHIBIT A -- Articles of Incorporation

EXHIBIT B -- Authorizing Resolutions

EXHIBIT C -- Form of Warrant Certificate

EXHIBIT D -- Restrictive Legends

FORM OF RESTRICTIVE LEGENDS FOR WARRANT CERTIFICATES

"The Warrants evidenced by this certificate have not been registered under the Securities Act of 1933 or the securities laws of any state. Such Warrants may not be sold, transferred, pledged or hypothecated in the absence of an effective registration statement for such Warrants under the Securities Act of 1933 and applicable state securities laws or an opinion of counsel satisfactory to **BIZNESSONLINE.COM, INC.** prior to the proposed transaction that such registration is not required."

FORM OF RESTRICTIVE LEGEND FOR WARRANT SHARES

"The shares evidenced by this certificate have been issued upon the exercise of warrants issued pursuant to a Warrant Agreement dated as of February __, 2000 (the "Warrant Agreement") and have not been registered under the Securities Act of 1933 or the securities laws of any state. Such shares may not be sold, transferred, pledged or hypothecated in the absence of an effective registration statement for such shares under the Securities Act of 1933 and applicable state securities laws or an opinion of counsel satisfactory to **BIZNESSONLINE.COM, INC.** prior to the proposed transaction that such registration is not required."

The Warrants evidenced by this certificate have not been registered under the Securities Act of 1933 or the securities laws of any state. Such Warrants may not be sold, transferred, pledged or hypothecated in the absence of an effective registration statement for such Warrants under the Securities Act of 1933 and applicable state securities laws or an opinion of counsel reasonably satisfactory to Company prior to the proposed transaction that such registration is not required.

Transfer of the securities represented by this certificate is subject to the terms and conditions of a certain Warrant Agreement, dated February __, 2000, a copy of which may be obtained from Company upon written request. No transfer or other disposition of the securities represented hereby shall be valid or entitle any transferee to any right of a stockholder or warrant holder of Company unless and until the terms of such Agreement shall have first been complied with.

WARRANT CERTIFICATE
EVIDENCING WARRANTS TO PURCHASE EQUITY
OF
BIZNESSONLINE.COM, INC. ("Company")

No. W-1

Certificate for Warrants to Purchase
[500,000] Shares of Common Stock

Issued and Delivered
as of February __, 2000

This Warrant Certificate is issued under and in accordance with a Warrant Agreement dated as of February __, 2000 (as may be amended from time to time, the "Warrant Agreement") between Company (as issuer) and MCG Finance Corporation (as purchaser), and is subject to the terms and provisions contained therein. The holder of this Warrant Certificate, by acceptance hereof, accepts all of such terms and conditions. The Warrant Agreement is hereby incorporated herein by reference and made a part hereof. Reference is hereby made to the Warrant Agreement for a full description of the rights, benefits, limitations, obligations, duties and immunities thereunder of Company and the holders of the Warrants. All terms used in this Warrant Certificate, including the terms set forth below, shall have the meaning assigned to them in the Warrant Agreement. The summary of the terms of the Warrant Agreement contained in this Warrant Certificate is qualified in its entirety by express reference to the Warrant Agreement. Copies of the Warrant Agreement and forms of Certificate of Surrender are on file at the office of Company and may be obtained by writing to Company at the following address: _____.

Warrants evidenced by this Certificate are exercisable at any time and from time to time in accordance with the Warrant Agreement until **11:59 p.m. Eastern Time on February 28, 2010.**

This certifies that MCG Finance Corporation, a Delaware corporation (including registered

assigns thereof, "MCG"), is the owner of the number of Warrants set forth above, each of which represents the right to purchase from Company, one Warrant Share (as defined in the Warrant Agreement) at a price equal to the Exercise Price (as defined in the Warrant Agreement), upon surrender hereof at the office of Company which at the date hereof is located at the address indicated above, or at such other address as may be specified by Company in writing to the holder, with the Exercise Subscription Form attached hereto (or a substantially similar form) duly executed, with simultaneous payment in full (in cash, or by certified or official bank or bank cashier's check payable to the order of Company, or by wire transfer) of the Exercise Price for the Warrant Shares as to which the Warrants represented by this Warrant Certificate are exercised, all subject to the terms and conditions hereof and of the Warrant Agreement, referred to above. The holder hereof also has certain other rights and benefits set forth in the Warrant Agreement.

[BALANCE OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this **Warrant Certificate** has been duly authorized, executed, and delivered to the holder hereof as of the date indicated above.

ATTEST:

BIZNESSONLINE.COM, INC. (Company)

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () _____ - _____
Telephone: () _____ - _____

**REVERSE OF WARRANT CERTIFICATE
EXERCISE SUBSCRIPTION FORM**

(To be executed only upon exercise of Warrant)

To: _____ ("Company")

The undersigned irrevocably exercises _____ of the Warrants for the purchase of _____ shares (subject to adjustment) of _____, par value \$ _____ per share, of Company, for each Warrant represented by the Warrant Certificate and herewith makes payment of \$ _____ (such payment being in cash, or by certified or official bank or bank cashier's check payable to the order of Company, or by wire transfer being concurrently delivered herewith), all at the exercise price and on the terms and conditions specified in the within Warrant Certificate and the Warrant Agreement therein referred to, surrenders this Warrant Certificate and all right, title and interest therein to Company and directs that the shares of equity deliverable upon the exercise of said Warrants be registered or placed in the name and at the address specified below and delivered thereto.

Dated: _____, _____.

(Signature of Holder) ^{1/}

(Street Address)

(City) (State) (Zip Code)

Signature Guaranteed or Notarized By:

Securities and/or check to be issued to: [Please insert social security or identifying number]

Name: _____

Street Address: _____

City, State and Zip Code: _____

^{1/}The signature must correspond with the name as written upon the face of the within Warrant Certificate in every particular, without alteration or enlargement or any change whatever (other than a reference to a successor in interest or new legal name), and either must be notarized or must be guaranteed by a national bank or trust company or by a member firm of any national securities exchange.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered holder of the within Warrant Certificate hereby sells, assigns, and transfers unto the Assignee(s) named below all of the rights of the undersigned under the within Warrant Certificate (except as may be otherwise provided below), with respect to the number of Warrants set forth below:

<u>Names of</u> <u>Assignees</u>	<u>Address</u>	<u>SSN/TIN</u>	<u>No. of</u> <u>Warrants</u>
-------------------------------------	----------------	----------------	----------------------------------

Please describe any limitations on the rights being transferred:.

and does hereby irrevocably constitute and appoint _____ the undersigned's attorney-in-fact to make such transfer on the books of Company maintained for the purpose, with full power of substitution in the premises.

Dated: _____, ____.

Signature of Holder: _____^{1/}

Signature Guaranteed or Notarized By:

warrantcertA

^{2/}The signature must correspond with the name as written upon the face of the within Warrant Certificate in every particular, without alteration or enlargement or any change whatever (other than a reference to a successor in interest or new legal name), and either must be notarized or must be guaranteed by a national bank or trust company or by a member firm of any national securities exchange.

The Warrants evidenced by this certificate have not been registered under the Securities Act of 1933 or the securities laws of any state. Such Warrants may not be sold, transferred, pledged or hypothecated in the absence of an effective registration statement for such Warrants under the Securities Act of 1933 and applicable state securities laws or an opinion of counsel reasonably satisfactory to Company prior to the proposed transaction that such registration is not required.

Transfer of the securities represented by this certificate is subject to the terms and conditions of a certain Warrant Agreement, dated February __, 2000, a copy of which may be obtained from Company upon written request. No transfer or other disposition of the securities represented hereby shall be valid or entitle any transferee to any right of a stockholder or warrant holder of Company unless and until the terms of such Agreement shall have first been complied with.

WARRANT CERTIFICATE
EVIDENCING WARRANTS TO PURCHASE EQUITY
OF
BIZNESSONLINE.COM, INC. ("Company")

No. W-2

Certificate for Warrants to Purchase
[250,000] Shares of Common Stock

Issued and Delivered
as of February __, 2000

This Warrant Certificate is issued under and in accordance with a Warrant Agreement dated as of February __, 2000 (as may be amended from time to time, the "Warrant Agreement") between Company (as issuer) and MCG Finance Corporation (as purchaser), and is subject to the terms and provisions contained therein. The holder of this Warrant Certificate, by acceptance hereof, accepts all of such terms and conditions. The Warrant Agreement is hereby incorporated herein by reference and made a part hereof. Reference is hereby made to the Warrant Agreement for a full description of the rights, benefits, limitations, obligations, duties and immunities thereunder of Company and the holders of the Warrants. All terms used in this Warrant Certificate, including the terms set forth below, shall have the meaning assigned to them in the Warrant Agreement. The summary of the terms of the Warrant Agreement contained in this Warrant Certificate is qualified in its entirety by express reference to the Warrant Agreement. Copies of the Warrant Agreement and forms of Certificate of Surrender are on file at the office of Company and may be obtained by writing to Company at the following address: _____.

Warrants evidenced by this Certificate are exercisable at any time and from time to time in accordance with the Warrant Agreement until 11:59 p.m. Eastern Time on February 28, 2010.

This certifies that MCG Finance Corporation, a Delaware corporation (including registered

assigns thereof, "MCG"), is the owner of the number of Warrants set forth above, each of which represents the right to purchase from Company, one Warrant Share (as defined in the Warrant Agreement) at a price equal to the Block B Exercise Price (as defined in the Warrant Agreement), upon surrender hereof at the office of Company which at the date hereof is located at the address indicated above, or at such other address as may be specified by Company in writing to the holder, with the Exercise Subscription Form attached hereto (or a substantially similar form) duly executed, with simultaneous payment in full (in cash, or by certified or official bank or bank cashier's check payable to the order of Company, or by wire transfer) of the Exercise Price for the Warrant Shares as to which the Warrants represented by this Warrant Certificate are exercised, all subject to the terms and conditions hereof and of the Warrant Agreement, referred to above. The holder hereof also has certain other rights and benefits set forth in the Warrant Agreement.

[BALANCE OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this **Warrant Certificate** has been duly authorized, executed, and delivered to the holder hereof as of the date indicated above.

ATTEST:

BIZNESSONLINE.COM, INC. (Company)

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Address: _____

Facsimile: () _____ - _____
Telephone: () _____ - _____

REVERSE OF WARRANT CERTIFICATE EXERCISE SUBSCRIPTION FORM

(To be executed only upon exercise of Warrant)

To: _____ ("Company")

The undersigned irrevocably exercises _____ of the Warrants for the purchase of _____ shares (subject to adjustment) of _____, par value \$ _____ per share, of Company, for each Warrant represented by the Warrant Certificate and herewith makes payment of \$ _____ (such payment being in cash, or by certified or official bank or bank cashier's check payable to the order of Company, or by wire transfer being concurrently delivered herewith), all at the exercise price and on the terms and conditions specified in the within Warrant Certificate and the Warrant Agreement therein referred to, surrenders this Warrant Certificate and all right, title and interest therein to Company and directs that the shares of equity deliverable upon the exercise of said Warrants be registered or placed in the name and at the address specified below and delivered thereto.

Dated: _____, ____.

(Signature of Holder) ^{1/}

(Street Address)

(City) (State) (Zip Code)

Signature Guaranteed or Notarized By:

Securities and/or check to be issued to: [Please insert social security or identifying number]

Name: _____

Street Address: _____

City, State and Zip Code: _____

^{1/}The signature must correspond with the name as written upon the face of the within Warrant Certificate in every particular, without alteration or enlargement or any change whatever (other than a reference to a successor in interest or new legal name), and either must be notarized or must be guaranteed by a national bank or trust company or by a member firm of any national securities exchange.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered holder of the within Warrant Certificate hereby sells, assigns, and transfers unto the Assignee(s) named below all of the rights of the undersigned under the within Warrant Certificate (except as may be otherwise provided below), with respect to the number of Warrants set forth below:

<u>Names of</u> <u>Assignees</u>	<u>Address</u>	<u>SSN/TIN</u>	<u>No. of</u> <u>Warrants</u>
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Please describe any limitations on the rights being transferred:.

and does hereby irrevocably constitute and appoint _____ the undersigned's attorney-in-fact to make such transfer on the books of Company maintained for the purpose, with full power of substitution in the premises.

Dated: _____, ____.

Signature of Holder: _____^{1/}

Signature Guaranteed or Notarized By:

warrantcertB

^{2/}The signature must correspond with the name as written upon the face of the within Warrant Certificate in every particular, without alteration or enlargement or any change whatever (other than a reference to a successor in interest or new legal name), and either must be notarized or must be guaranteed by a national bank or trust company or by a member firm of any national securities exchange.

BIZNESSONLINE.COM, INC.

Credit Facility with MCG Finance Corporation

COMPLIANCE CERTIFICATE FOR CLOSING

This compliance certificate ("Certificate") has been prepared and is being delivered pursuant to the Credit Facility Agreement dated as of February __, 2000 (as amended from time to time, "Credit Agreement") by and among **BIZNESSONLINE.COM, INC., and each of its direct and indirect Subsidiaries** (each, a "Borrower"; collectively, the "Borrowers"), **and the Lenders under and as defined in the Credit Agreement, and MCG FINANCE CORPORATION** ("Administrative Agent") as administrative agent for the Lenders. Capitalized terms and references used herein and not otherwise defined herein have the meanings ascribed to them in the Credit Agreement.

This Certificate is given, accurate and effective as of February __, 2000.

Having reviewed the terms and conditions of the Credit Agreement and having made a review of the transactions and conditions of each Borrower as of the effective date of this Certificate, the undersigned duly elected, qualified and acting _____ of each Borrower **HEREBY CERTIFIES** to each Lender and Administrative Agent as follows:

1. **Fees and Expenses.** Each Borrower has paid (or made acceptable arrangements with Administrative Agent to pay) all fees, costs, expenses and taxes due and payable under the Credit Agreement, including without limitation, the fees and other compensation due and payable pursuant to Section 1.7 thereof and the fees and expenses of the law firm of Bryan Cave LLP with respect to the preparation, negotiation and execution of the Credit Agreement and the other Loan Documents.
2. **Representations.** To the best of my knowledge (after due inquiry), each representation and warranty contained in the Credit Agreement and the other Loan Documents (including the schedules thereto) is true, correct and complete on and as of the date hereof.
3. **No Default.** To the best of my knowledge (after due inquiry), there is no Default or Event of Default existing on the date hereof (assuming the Credit Agreement is already effective), and no such default will occur as a result of the execution of the Credit Agreement or the funding of the initial Advance thereunder.
4. **No Violations.** To the best of my knowledge (after due inquiry), the execution of the Credit Agreement and the funding of the initial Advance thereunder will not contravene any material law, rule or regulation applicable to any Borrower or any Lender.
5. **No Material Change.** Between _____, 2000 (i.e., the "as of" date for the most recent version of each Borrower's financial statements delivered to Lender) and the effective date hereof, there has not been any Material Adverse Change with respect to any Borrower.
6. **Financial Covenants and Ratios.** Without limiting the generality of the foregoing, as of the effective date hereof, Borrowers (on a consolidated basis) are in compliance with each of the financial and operating covenants and ratios under Section 4.1 of the Credit Agreement.

Attached hereto as Schedule 1 is a set of detailed calculations supporting this certification regarding each of the financial and operating covenants and ratios under Section 4.1 of the Credit Agreement.

7. Federal Tax Identification and Social Security Numbers. Attached hereto as Schedule 2 is a true, accurate and complete list of (a) the Federal Tax Identification number for each Borrower and each other Obligor that is not a natural person, and (b) the Social Security Number for each Obligor who is a natural person.
8. Satisfaction of Conditions Precedent. Each condition precedent required under Section 2.1 of the Credit Agreement has been satisfied (or expressly waived by Lender).

[BALANCE OF PAGE INTENTIONALLY BLANK]

I understand that Administrative Agent and each Lender are relying on the truth and accuracy of the foregoing in connection with its entering into the Credit Agreement and other Loan Documents and consummating the transactions contemplated thereby.

ATTEST:

BIZNESSONLINE.COM, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

GLOBAL 2000 COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ALBANYNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

WEBWAY INTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ASCENT NETWORKING, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CYBERZONE, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

CARAVELA SOFTWARE, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

NECANET, INC.

By: _____
Name: _____
Title: _____

ATTEST:

**PRIME COMMUNICATIONS
SYSTEMS, INC.**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

INFOBOARD, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

BORG INTERNET SERVICES, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ULSTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

[Form of Opinion of Borrower's Regulatory Counsel]
[To Be Prepared on Counsel Letterhead]

February __, 2000

MCG Finance Corporation
1100 Wilson Boulevard, Suite 800
Arlington, Virginia 22209
Attention: Loan Administration

Re: BIZNESSONLINE.COM, INC. -- Regulatory Counsel Opinion

Gentlemen and Ladies:

This opinion is furnished to you pursuant to that certain Credit Facility Agreement dated as of February __, 2000 ("Credit Agreement") by and among **BIZNESSONLINE.COM, INC.**, and each of its direct and indirect Subsidiaries (each, a "Borrower"; collectively, the "Borrowers"), and the Lenders that are parties thereto, and MCG FINANCE CORPORATION ("Agent"), as administrative agent for the Lenders. Unless otherwise defined in this opinion, capitalized terms used herein have the meanings ascribed to them in the Credit Agreement.

We have acted as special communications legal and regulatory counsel to each Borrower and _____ (each, a "Subject Party"; collectively, the "Subject Parties") before the Federal Communications Commission ("FCC"), various state public utility commissions ("State PUCs") and otherwise (a) in connection with the negotiation, preparation, execution and delivery of the Credit Agreement and the other Loan Documents (including all schedules, exhibits and attachments thereto), and (b) in connection with the operations of each Subject Party in accordance with the Communications Laws (defined below).

The law covered by this opinion is limited to the federal Communications Act of 1934, as amended, and the rules, regulations, policies, procedures, orders, and decisions promulgated thereunder by the FCC (collectively, the "Communications Laws"), and state utility laws and regulations in those states where any Borrower is required to have certificates or authorizations to conduct its operations as currently conducted (collectively, the "State PUC Regulations").

In rendering this opinion, we have examined (1) such of the Loan Documents as we have deemed necessary or appropriate, and (2) _____ [list materials examined], and (3) our own files and records, and (4) the various files and records of the FCC and relevant state authorities available for public inspection. We have also made such inquiries of each Subject Party as we have deemed necessary or appropriate.

In rendering this opinion, we have assumed (a) the genuineness of all signatures appearing on the Loan Documents, and (b) the legal capacity of all Persons executing the Loan Documents, and (c) the authenticity of documents submitted to us for our examination, and (d) the conformity to authentic original documents of all documents submitted to us as certified, conformed, facsimile, or photostatic copies, and (e) the due authorization of the execution, delivery, and

performance of all of the Loan Documents, and (f) the validity and binding effect of the Loan Documents upon the parties thereto.

Based upon the foregoing, and subject to the qualifications and limitations set forth elsewhere in this letter, we are of the opinion that:

1. The execution, delivery and performance by each Subject Party of the Credit Agreement and each other Loan Document to which such Subject Party is a party do not and will not violate the Communications Laws or the State PUC Regulations.

2. Each Subject Party has obtained all necessary consents, authorizations, orders and approvals of the FCC and/or any State regulatory authorities, and has made all filings with the FCC and such State authorities, required under the Communications Laws and the State PUC Regulations for the performance by each Subject Party of its obligations under the Loan Documents, other than the approval and consent of the FCC or any state PUC necessary to the exercise by Administrative Agent of certain of the remedies under the Credit Agreement and related Loan Documents upon the occurrence of an Event of Default. Except as identified on Schedule 1 hereto, all such necessary consents, authorizations, orders and approvals of the FCC are currently "final" within the meaning of the Communications Laws. For purposes of this Paragraph 2, a "final" consent, authorization, order or approval is one (a) that has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which no timely request for stay, petition for rehearing, or appeal is pending, and (c) as to which the time for filing any such request, petition or appeal and the time for reconsideration by the FCC on its own motion has expired.

3. Each Subject Party is the duly authorized holder of all FCC and State PUC permits, licenses and authorizations, and any necessary state and local certificates of public convenience and necessity, that are necessary to conduct its operations in the manner currently and heretofore conducted. A complete and accurate list (and corresponding description) of each Subject Party's permits, licenses and authorizations is attached as Schedule 2 hereto (individually, a "License"; collectively, the "Licenses"). The Licenses constitute all of the licenses, permits and authorizations required under the Communications Laws and/or the State PUC Regulations for the conduct of its operations. Each License is validly outstanding and effective and has been renewed without condition for a full term in accordance with the Communications Laws and the State PUC Regulations.

4. No License (a) is subject to any materially adverse conditions or requirements not generally imposed by the FCC or any applicable State PUCs upon holders of authorizations in the same service, or (b) has been assigned or transferred to any other party.

5. Upon due investigation, we are not aware of any information that would lead us to believe that any of the Licenses will not be renewed at the appropriate time by the FCC or any applicable State PUC in the ordinary course without condition and for a full term.

6. Each Subject Party is in compliance in all material respects with the Communications Laws and the State PUC Regulations.

7. There is no pending or (to the best of our knowledge, upon due investigation) threatened action, litigation, proceeding, notice of violation, order to show cause, complaint, inquiry or investigation by, before or with the FCC or any relevant State PUC relating to any Subject Party or any of its operations that (a) might result in cancellation, termination, revocation, forfeiture or any material impairment of any License, or (b) might materially adversely affect the validity or continued effectiveness of any License, or (c) could materially adversely affect a Subject Party or its operations or any of the Collateral under the Loan Documents, or (d) could cause a material disruption to a Subject Party or the ownership or operation of its facilities.

8. Each Subject Party has timely filed all material reports, applications, documents, information and other filings required to be filed by it or him under or pursuant to the Communications Laws and/or the State PUC Regulations.

We do not assume responsibility to advise you of changes that might be brought to our attention regarding the matters discussed herein after the date hereof.

This opinion is being furnished to you for your use in connection with the transactions contemplated by the Credit Agreement and, except as may be required by applicable law, may not be relied upon by any person other than you, any assignees of or participants in the Credit Agreement, any pledgees of Administrative Agent and the law firm of Bryan Cave LLP.

Very truly yours,

[INSERT FIRM NAME]

By: _____
A Partner

BIZNESSONLINE.COM, INC.

Credit Facility with MCG Finance Corporation as Agent

**SECRETARY'S CERTIFICATE --
BIZNESSONLINE.COM, INC.**

This secretary's certificate ("Certificate") has been prepared and is being delivered pursuant to the Credit Facility Agreement dated as of February __, 2000 (as amended from time to time, "Credit Agreement") by and among **BIZNESSONLINE.COM, INC., and each of its direct and indirect Subsidiaries** (each, a "Borrower"; collectively, the "Borrowers"), and the Lenders under and as defined in the Credit Agreement, and MCG FINANCE CORPORATION ("Administrative Agent"), as administrative agent for the Lenders. Capitalized terms and references used herein and not otherwise defined herein have the meanings ascribed to them in the Credit Agreement.

This Certificate is given, accurate and effective as of February __, 2000.

Being the duly elected, qualified and acting Secretary of _____ (the "Company"), and as such Secretary having custody of the minute books, corporate seal and other corporate records of the **Company**, the undersigned **HEREBY CERTIFIES** to Administrative Agent and each Lender as follows:

1. Articles -- Attached hereto as Exhibit A is a true, correct and complete set of the Articles of Incorporation and all other charter documents of the **Company**, including all amendments and modifications thereto, as certified to by the Secretary of State of _____. Such Articles of Incorporation are in full force and effect on the date hereof and have not been otherwise amended, modified or rescinded.
2. Bylaws -- Attached hereto as Exhibit B is a true, correct, and complete set of the Bylaws and all other operating agreements of the **Company**, including all amendments and modifications thereto. Such Bylaws are in full force and effect on the date hereof and have not been otherwise amended, modified or rescinded.
3. Resolutions -- Attached hereto as Exhibit C is a true, correct and complete copy of certain authorizing resolutions duly adopted by the Board of Directors of the **Company** (by written consent or at a meeting at which a quorum was present) relating to the transactions contemplated by the Credit Agreement. Such resolutions are in full force and effect on the date hereof and have not been amended, modified or rescinded.
4. Incumbency -- Below is a list of the principal officers of the **Company**. Each such person has been duly elected to the office or offices set forth opposite his or her respective name and each such person is duly qualified and acting as such officer of the **Company** as of the date hereof. Each such officer is authorized to act under the resolutions set forth as Exhibit C hereto. The signature opposite each of the below listed names (which may be delivered as original counterparts) is the genuine signature of such person.

NAME

OFFICE

SIGNATURE

5. Good Standing -- Attached hereto as Exhibit D are the long-form good standing certificates from the Secretary of State of _____ and each other state or jurisdiction of foreign qualification with respect to the **Company** required by the Credit Agreement as a condition precedent. Each such certificate certifies that the **Company** is currently subsisting and qualified as a corporation in good standing and has paid all required franchise taxes and other fees that are due and payable.
6. FCC and other Regulatory Licenses -- Attached hereto as Exhibit E is a true, correct and complete copy of each permit, license and certificate of renewal of license issued to the **Company** by (as well as each pending application filed with) the Federal Communications Commission or relevant State PUCs. Each such permit and license is in full force and effect on the date hereof and has not been otherwise amended, modified or rescinded

I understand that Administrative Agent and each Lender are relying on the truth and accuracy of the foregoing in connection with its entering into the Credit Agreement and consummating the transactions contemplated thereby.

IN WITNESS WHEREOF, the undersigned Secretary has executed this Certificate as of the effective date indicated above.

[SEAL]

Name: _____
Title: Secretary

Being the President of _____ (the "Company"), the undersigned **HEREBY CERTIFIES** to Administrative Agent and each Lender that _____ is the duly elected and serving Secretary of the **Company** as of the date hereof and that the above signature is his/her genuine signature.

IN WITNESS WHEREOF, the undersigned President has executed this Certificate as of the effective date indicated above.

Name: _____
Title: President

EXHIBIT C

FORM OF AUTHORIZING RESOLUTIONS

WHEREAS, the Company intends to enter into a Credit Facility Agreement (the "Credit Agreement") pursuant to which the Company and certain related entities (collectively, the "Borrowers") will obtain (jointly and severally) a \$15 million senior secured term loan credit facility (the "Loan") from MCG Finance Corporation (the "Agent") and certain other Lenders (collectively together with the other instruments, agreements, documents and certificates executed and delivered in connection therewith, the "Loan Documents");

WHEREAS, in connection with and as additional compensation for the Loan, the Company intends to enter into a Warrant Agreement with Agent pursuant to which the Company will issue to Agent warrants to purchase up to 7.5% of the issued and outstanding common stock of the Company;

NOW THEREFORE, be it

RESOLVED, that the terms and conditions of the Credit Agreement, the Warrant Agreement and the other Loan Documents are hereby approved and ratified and that the Company (and each authorized officer thereof) is hereby authorized to execute, deliver and perform the Credit Agreement, the Warrant Agreement and the Loan Documents;

FURTHER RESOLVED, that the Company is hereby authorized to from time to time incur (on a joint and several basis with the other Borrowers) the Loans and any other indebtedness (and to arrange for borrowings and borrow money from Agent) pursuant to and in accordance with the Loan Documents (at the request of an authorized officer thereof) and to encumber the Company's assets pursuant to the Loan Documents as collateral security for the Loans, other indebtedness and other obligations thereunder;

FURTHER RESOLVED, that each authorized officer of the Company, acting singly, is authorized and empowered in the name of and on behalf of the Company to execute, seal, acknowledge, attest to and deliver to the Agent, the Credit Agreement, the Warrant Agreement and the Loan Documents, all in such form and containing such terms, conditions, stipulations and agreements as such officer, in his or her sole discretion, may determine. The execution and delivery of the Credit Agreement, the Warrant Agreement and the Loan Documents by any officer of the Company shall be conclusive evidence of their approval by the Company;

FURTHER RESOLVED, that _____ shares of the Company's authorized but unissued shares of common stock (par value \$____ per share) are hereby reserved for issuance and sale (a) upon the exercise of the Block A Warrant, at an exercise price of \$_____ per share, and (b) upon the exercise of the Block B Warrant, at an exercise price equal to the lesser of (i) \$_____ per share or (ii) the product of the Block A exercise price multiplied by 1.75, pursuant to the terms and conditions of the Warrant Agreement and subject to adjustment as provided in the Warrant Agreement; and

FURTHER RESOLVED, that in addition to the specific authorizations set forth in any of the foregoing resolutions, each authorized officer of the Company, acting singly, is authorized and directed to take any and all actions and to execute and deliver from time to time any and all instruments, requests, receipts, notes, applications, reports, certificates and other documents as may be necessary or desirable in its opinion to effectuate, consummate and comply with the purposes or intent of any of the foregoing resolutions; and

FURTHER RESOLVED, that any actions taken by any authorized officer of the Company, whether prior to or after the date hereof, which are in conformity with the purposes and intents of the foregoing resolutions are hereby approved, ratified and confirmed in all respects; and

FURTHER RESOLVED, that any officer of the Company from time to time holding the office of President, or Chief Financial Officer, or _____ or executing any incumbency certificate in connection with the Loan, acting singly, is hereby authorized and directed on behalf of the Company to effectuate any or all of the foregoing resolutions and that the Secretary or Assistant Secretary of the Company is hereby authorized and directed to certify to Agent a copy of these resolutions, the names and signatures of the present officers referred to herein, and, if and when any changes is made in such officers, the name and signature of the new officer(s); and

FURTHER RESOLVED, that the foregoing powers and authority shall continue until written notice of a revocation or modification is received by Agent, and this resolution shall supersede all resolutions of like tenor previously furnished to Agent.

BIZNESSONLINE.COM, INC.

Credit Facility with MCG Finance Corporation as Agent

OFFICER'S CERTIFICATE

This authorized officer's certificate ("Certificate") has been prepared and is being delivered pursuant to the Credit Facility Agreement dated as of February __, 2000 (as amended from time to time, "Credit Agreement") by and among **BIZNESSONLINE.COM, INC., and each of its direct and indirect Subsidiaries** (each, a "Borrower"; collectively, the "Borrowers"), and the Lenders under and as defined in the Credit Agreement, and MCG FINANCE CORPORATION ("Administrative Agent"), as administrative agent for the Lenders. Capitalized terms and references used herein and not otherwise defined herein have the meanings ascribed to them in the Credit Agreement.

This Certificate is given, accurate and effective as of February __, 2000.

Being the duly elected, qualified and acting President of each **Borrower**, and as such President having custody of the relevant corporate records of each **Borrower**, the undersigned **HEREBY CERTIFIES** to Administrative Agent and each Lender as follows:

1. Lien Searches -- Attached hereto as Exhibit A is a complete list of the searches with respect to consensual liens, tax liens, judgments and bankruptcy and true and complete copies of the underlying search results on behalf of each **Borrower** and purporting to list (a) all effective UCC financing statements that name any **Borrower** (including all predecessors thereto and operating or tradenames thereof) as "debtor" and that are filed in the States of New York, Connecticut, New Jersey, Massachusetts or any other U.S. jurisdiction in which any **Borrower** currently operates or has had assets at any time during the immediately preceding 5 calender years (together with copies of such financing statements), and (b) all tax liens against any Obligor (or the assets thereof), and (c) all outstanding judgments against any Obligor (or the assets thereof), and (d) whether any Obligor has filed bankruptcy within the preceding 5 years.
2. Financial Statements -- Attached hereto as Exhibit B are a true, correct and complete set of the financial statements of each **Borrower** for fiscal quarter ending _____ and fiscal year ending _____ (as otherwise consistent with the requirements of Section 4.2 of the Credit Agreement).
3. Equityholder Agreements -- Attached hereto as Exhibit C are true, correct and complete copies of each shareholder agreement, member agreement, partner agreement, voting agreement, buy-sell agreement, option, warrant, put, call, right of first refusal, and any other agreement or instrument with conversion rights into equity (together with all amendments, exhibits and schedules thereto) (a) between any **Borrower** and any holder or prospective holder of any equity interest of any **Borrower** or (b) among any two or more holders or

prospective holders of any equity interest of any **Borrower**. Each such agreement and instrument is in full force and effect on the date hereof and has not been amended, modified, rescinded or terminated.

4. Employment and Non-Compete Agreements -- Attached hereto as Exhibit D are true, correct and complete copies of each employment, consulting and non-compete (together with all amendments, exhibits and schedules thereto) between any **Borrower** and any officer or employee of any **Borrower**. Each such agreement is in full force and effect on the date hereof and has not been amended, modified, rescinded or terminated.
5. Inter-Affiliate Agreements -- Attached hereto as Exhibit E are true, correct and complete copies of each written agreement (together with all amendments, exhibits and schedules thereto) between any **Borrower** and any Affiliate of any **Borrower** (except to the extent otherwise delivered pursuant to Sections 3 or 4 hereof). Each such agreement is in full force and effect on the date hereof and has not been amended, modified, rescinded or terminated.
6. Disaster Recovery and Contingency Program -- Attached hereto as Exhibit F is a true, correct and complete description of the currently effective disaster recovery and contingency program of any **Borrower**, as required to be delivered under Section 4.8 of the Credit Agreement.
7. Leases as Lessee -- Attached hereto as Exhibit G are true, correct and complete copies of each lease (together with all amendments, exhibits and schedules thereto) between any **Borrower** and any owner or landlord of real or personal property used in connection with the business or operations of any **Borrower** (but only to the extent that such **Borrower** has an annual rent obligation thereunder in excess of \$36,000 or such lease is for a switch location) or a location at which a **Borrower** has application hosting servers, routing equipment or other systems (including backups) critical to the operation of such **Borrower's** business. Each such lease is in full force and effect on the date hereof and has not been amended, modified, rescinded or terminated.
8. Leases as Lessor -- Attached hereto as Exhibit H are true, correct and complete copies of each lease (together with all amendments, exhibits and schedules thereto) between any **Borrower** and any lessee of real or personal property owned or leased by any **Borrower** (but only to the extent that the lessee thereunder has an annual rent obligation in excess of \$12,000). Each such lease is in full force and effect on the date hereof and has not been amended, modified, rescinded or terminated.

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I understand that Administrative Agent and each Lender are relying on the truth and accuracy of the foregoing in connection with its entering into the Credit Agreement and consummating the transactions contemplated thereby.

IN WITNESS WHEREOF, the undersigned authorized officer has executed this Certificate as of the effective date indicated above.

ATTEST:

BIZNESSONLINE.COM, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

GLOBAL 2000 COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ALBANYNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

WEBWAY INTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ASCENT NETWORKING, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

CYBERZONE, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

CARAVELA SOFTWARE, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

NECANET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

**PRIME COMMUNICATIONS
SYSTEMS, INC.**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

INFOBOARD, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

BORG INTERNET SERVICES, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]

ATTEST:

ULSTERNET, INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

[CORPORATE SEAL]