

the quarterly payments in the amounts determined as herein provided. The prepayment premium shall be an amount equal to one hundred per cent (100%) of the amount of interest for One (1) year on the unpaid principal balance of the Amortized Advance, or part thereof, proposed to be prepaid, multiplied by the ratio which the number of Quarterly Payment Dates between the proposed prepayment date and the Maturity Date of the Amortized Advance bears to the number of Quarterly Payment Dates between the first prepayment date permitted by this paragraph and such Maturity Date.

10. Upon execution of the Guarantee set forth below, the payment by the Borrower of the entire principal amount advanced under this Bond and of the interest on such amount, in accordance with the terms hereof, will be guaranteed by REA, pursuant to the Rural Electrification Act of 1936, as amended, including Public Law 93-32. In consideration of such Guarantee by REA, the Borrower promises to REA to make the payments required by this Bond. For purposes of the Indenture of Mortgage and Deed of Trust dated as of May, 31, 1974, entered into by and between the Borrower, as Grantor, and The Ohio National Bank of Columbus (now BancOhio National Bank) and P. Joseph Sesler, as Trustees (the "Mortgage"), REA shall be considered to be, and shall have the rights of, holder of this Bond, and this Bond shall be secured to REA by the Mortgage and such supplements or amendments thereto as REA may require.

11. In case of default by the Borrower under this Bond or the Mortgage, and in consideration of the obligation of REA in that event under the guarantee to continue to make the quarterly payments to FFB as scheduled, the entire unpaid principal balance of this Bond, and all interest thereon, may be declared by REA, and upon such declaration shall become, due and payable to REA, in the manner and with the effect provided in the Mortgage.

IN WITNESS WHEREOF, the Borrower has caused this Bond to be signed, in its corporate name and its corporate seal to be hereunder affixed and attested by its officers thereunto duly authorized, all as of the date and year first above written.

MID-CAROLINA TELEPHONE COMPANY

By _____
President

ATTEST:

Secretary

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