

Exhibit C

BOOK 1504 PAGE 437

REA FIRST MORTGAGE EXCHANGE BOND, SERIES C

No. REA -1
December 31, 1979

MID-CAROLINA TELEPHONE COMPANY (hereinafter called the "Corporation"), a corporation organized and existing under the laws of the State of North Carolina, for value received, promises to pay to the order of UNITED STATES OF AMERICA (hereinafter called the "Government"), acting through the Administrator of the Rural Electrification Administration, at the United States Treasury, Washington, D. C., at the times and in the manner hereinafter provided, the sum of Three Million, One Hundred Seventeen Thousand, Two Hundred Ninety-Two Dollars and Forty-Eight Cents (\$3,117,292.48), with interest on the amount thereof advanced by the Government, pursuant to a certain Telephone Loan Contract dated as of April 28, 1952 between the Government and the Corporation, as the same may have been amended from time to time by amendments, including a Telephone Loan Contract Amendment dated as of January 14, 1980, (said Telephone Loan Contract, as amended, being hereinafter called the "Loan Contract") and remaining unpaid from time to time, at the rate of two per centum (2%) per annum.

From and after the date hereof the Corporation shall make a payment on the last day of February, May, August and November, of each year at the rate of \$14.20 per \$1,000 of the principal amount hereof. Each such payment shall be applied first to the payment of interest on principal and then on account of principal. On September 30, 2001, the principal hereof remaining unpaid, if any, and interest thereon, shall become due and payable.

The Corporation on any payment date, as hereinabove provided, may pay all or any part of the principal hereof remaining unpaid, but so long as any of the principal hereof shall remain unpaid, the Corporation shall be obligated to make the quarterly payment on account of principal and interest, in the amount hereinabove provided, unless the Corporation and the holder of this REA First Mortgage Exchange Bond, Series C (hereinafter called "Bond") shall otherwise agree.

This Bond is executed and delivered pursuant to and is secured by a certain Indenture of Mortgage and Deed of Trust dated as of May 31, 1974, between the Corporation and The Ohio National Bank of Columbus (now BancOhio National Bank) as the same has been amended or supplemented by a First Supplemental Indenture dated as of May 1, 1975, among the Corporation, The Ohio National Bank of Columbus and John C. Ruetty, Trustees, a Second Supplemental Indenture dated as of March 1, 1979 among the Corporation, The Ohio National Bank of Columbus and John C. Ruetty, Trustees and a Third Supplemental Indenture dated as of December 31, 1979 among the Corporation, Bank Ohio National Bank and P. Joseph Sesler, Trustees (said Indenture and Supplemental Indentures being hereinafter collectively called the "Indenture") and is one of several notes and bonds equally and ratably secured thereby. Reference is hereby made to the Indenture for a description of the property mortgaged and pledged, the nature and extent of the security afforded by the Indenture, and the rights of the holders of the notes and bonds secured thereby with respect thereto.

0437

4328 RV-2