

SUPPLEMENTAL MORTGAGE, dated as of July 2, 1968 -----
made by HOME TELEPHONE COMPANY OF SIMPSONVILLE -----
(hereinafter called the "Mortgagor"), a corporation organized and
existing under the laws of the state of South Carolina -----,
to UNITED STATES OF AMERICA (hereinafter sometimes called the
"Mortgagee").

WHEREAS, the Mortgagor, for value received, has heretofore duly
authorized and executed, and has delivered to the Mortgagee, the following
certain mortgage notes (hereinafter collectively called the "Outstanding
Notes"), all payable to the order of the Mortgagee, in installments:

<u>DATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>FINAL PAYMENT DATE</u>
1. January 11, 1952	\$141,000	January 11, 1987
2. August 27, 1952	95,000	August 27, 1987
3. December 14, 1955	50,000	December 14, 1990
4. July 29, 1957	186,000	July 29, 1992
5. September 2, 1960	75,000	September 2, 1995
6. March 26, 1964	92,000	March 26, 1999
7. May 11, 1966	796,000	May 11, 2001
8. July 2, 1968	760,000	July 2, 2003; and

WHEREAS, the Mortgagor and the Mortgagee have entered into three cer-
tain agreements, the first of which is dated as of September 1, 1955, the
second of which is dated as of August 1, 1960 and the third of which is dated
as of September 3, 1963, by the terms of which, the portion, if any, of the
principal amount of Outstanding Note 2 above (under the said first agreement),
Outstanding Note 4 above (under the said second agreement) and Outstanding
Note 5 above (under the said third agreement), advanced on or after the date
of said agreement made relative thereto is or will be payable in quarterly
installments on or before 35 years from the date of such agreement; and

WHEREAS, the Outstanding Notes are secured by a certain mortgage
(hereinafter called the "Mortgage"), dated as of May 11, 1966, made by the
Mortgagor to the Mortgagee; and

WHEREAS, to the extent that any of the property described or referred
to herein and in the Mortgage is governed by the provisions of the Uniform
Commercial Code of South Carolina, as amended (hereinafter called the "Uniform
Commercial Code"), the parties hereto desire that the Mortgage and this supple-
mental mortgage, collectively, shall be regarded as a "security agreement"
creating security interests under the Uniform Commercial Code and that this
supplemental mortgage be also regarded as a "financing statement" under the
Uniform Commercial Code for said "security agreement"; and