

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 22, 2008

Shenandoah Telecommunications Company

(Exact name of registrant as specified in its charter)

Virginia	0-9881	54-1162807
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
500 Shentel Way P.O. Box 459 Edinburg, VA		22824
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (540) 984-4141

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2-(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On October 22, 2008, the Company issued a press release announcing that it had closed on \$52 million of additional debt financing in the form of a Delayed Draw Term Loan (the "Facility") from CoBank. This Facility is intended to finance acquisitions (particularly of certain cable system customers and assets from Rapid Communications, Inc.); finance capital expenditures; provide for ongoing working capital; and, for other general corporate purposes. The Company may make draws on the Facility through December 31, 2009. The outstanding balance under the Facility as of December 31, 2009, will be repaid in 24 equal quarterly installments commencing March 31, 2010. The Facility will bear interest at a variable rate determined weekly by CoBank, or at the Company's option, at LIBOR plus a spread based on the Company's leverage ratio, as defined, or at a fixed rate to be determined by CoBank. Copies of the documents underlying this Facility are attached as Exhibit 10.38 and Exhibit 10.39.

Item 2.02 Results of Operations and Financial Condition.

On October 22, 2008, the Company issued a press release announcing that its Sprint Nextel retail PCS customer count had increased by 5,380 for the three months ended September 30, 2008, resulting in 205,777 total customers as of September 30, 2008.

Item 8.01 Other Events

On October 22, 2008, the Company issued a press release announcing that the Board of Directors had declared a cash dividend of \$0.30 per share, an increase of \$0.03 per share or 11% over the 2007 dividend. The dividend will be payable December 1, 2008, to shareholders of record on November 12, 2008.

A copy of the press release referred to in the paragraphs above is included as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits.**(c) Exhibits**

- 10.38 Agreement Regarding Amendments to and Consents Regarding Loan Documents
- 10.39 Fourth Supplement to the Master Loan Agreement dated as of November 30, 2004, between CoBank, ACB and Shenandoah Telecommunications Company.
- 99.1 Press release dated October 22, 2008

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SHENANDOAH TELECOMMUNICATIONS COMPANY

(Registrant)

October 22, 2008

/s/ Adele M. Skolits

Adele M. Skolits

Vice President - Finance and

Chief Financial Officer

(Duly Authorized Officer)

**AGREEMENT REGARDING AMENDMENTS TO AND CONSENTS REGARDING LOAN
DOCUMENTS**

This **AGREEMENT REGARDING AMENDMENTS TO AND CONSENTS REGARDING LOAN DOCUMENTS** (this "**Amendment Agreement**"), dated as of October 22, 2008, is between **SHENANDOAH TELECOMMUNICATIONS COMPANY** (the "**Borrower**") and **COBANK, ACB** ("**CoBank**").

RECITALS

WHEREAS, the Borrower and CoBank are parties to that certain Second Amended and Restated Master Loan Agreement, dated as of November 30, 2004 (as amended by that certain letter agreement, dated as of October 26, 2007 and as further amended, modified, supplemented, extended or restated from time to time, the "**MLA**"), as supplemented by that certain Term Supplement to the Master Loan Agreement, dated as of June 22, 2001, providing for a loan in the amount of \$45,965,689.85 (as amended by that certain First Amendment to Term Supplement, dated as of September 1, 2001, that certain Second Amendment to Term Supplement, dated as of November 30, 2007 and as further amended, modified, supplemented, extended or restated from time to time, the "**Term Supplement**"), and that certain Third Supplement to the Master Loan Agreement, dated as of November 30, 2004, providing for a reducing revolving loan of up to \$15,000,000.00 (as amended by that certain letter agreement, dated as of July 1, 2007 and as further amended, modified, supplemented, extended or restated from time to time, the "**Third Supplement**"; the MLA, as supplemented by the Term Supplement and the Third Supplement, collectively, the "**Loan Agreement**"), in each case, by and between the Borrower and CoBank;

WHEREAS, as security for the Borrower's obligations under the Loan Agreement, the Borrower executed and delivered that certain Second Amended and Restated Pledge Agreement, dated as of November 30, 2004 (as amended, modified, supplemented, extended or restated from time to time, the "**Pledge Agreement**"), pursuant to which the Borrower granted to CoBank a security interest in and lien on the property described therein;

WHEREAS, the Borrower and CoBank are entering into that certain Fourth Supplement to the Amended and Restated Master Loan Agreement, dated as of even date herewith (as the same may be amended, modified, supplemented, extended or restated from time to time, the "**Fourth Supplement**"), providing for a new delayed draw term loan in the amount of \$52,000,000.00;

WHEREAS, in connection with the execution of the Fourth Supplement, the Borrower and CoBank have agreed to certain amendments to the Loan Agreement and Pledge Agreement, as set forth herein; and

NOW, THEREFORE, in consideration of the foregoing and the agreements set forth in this Amendment Agreement, the Borrower and CoBank each hereby agrees as follows:

SECTION 1. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

SECTION 2. Subsection 6(D) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Financial Statements, Budgets, Projections, Etc. All financial statements of the Borrower and any of the Subsidiaries submitted to CoBank in connection with the Loans present fairly in all material respects the financial condition of such entity to which such statements relate and the results of such entity's operations for the periods covered thereby, and are prepared in accordance with generally accepted accounting principles ("**GAAP**") consistently applied (except, in the case of unaudited financial statements, for the omission of footnotes, other schedules and the effect of normal year-end audit adjustments). All budgets, projections, feasibility studies, and other documentation submitted to CoBank in connection with the Loans, by or on behalf of the Borrower or any of the Subsidiaries were based upon assumptions that were believed to be reasonable at the time submitted, and as of the date of such Supplement, no fact has come to the attention of the Borrower, and no event or transaction has occurred, which would cause any assumption made therein not to be reasonable.

SECTION 3. Subsection 6(K) of the MLA is hereby amended by inserting "(as defined in the Second Amended and Restated Pledge Agreement, dated as of November 30, 2004, by and between CoBank and the Borrower (as amended, modified, supplemented, extended or restated from time to time, the "**Stock Pledge Agreement**") and in any other pledge agreement entered into by CoBank and the Borrower or any Pledged Subsidiary to secure the obligations of the Borrower to CoBank under the Loan Documents (each, as amended, modified, supplemented, extended or restated from time to time, collectively, the "**Other Pledge Agreements**"; the Stock Pledge Agreement and the Other Pledge Agreements, collectively, the "**Pledge Agreement**")" after the term "Pledged Subsidiary".

SECTION 4. Subsection 6(N) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Subsidiaries. Except as otherwise permitted by the Loan Documents and with respect to which CoBank has received written notice, the Borrower has no direct subsidiaries other than as set forth on Schedule 6(N) to this Agreement. Except as otherwise permitted by the Loan Documents and with respect to which CoBank has received written notice, the Borrower is the registered (if applicable) and beneficial owner, directly or indirectly, of the specified percentage of the shares of issued and outstanding capital stock or the membership interest, as applicable, of each of the Subsidiaries as set forth on Schedule 6(N), which stock or membership interest is owned free and clear of all liens, warrants, options, rights to purchase, rights of first refusal and

other interests of any person (except for liens granted to CoBank under the Loan Documents) and which has been duly authorized and validly issued and is fully paid and non-assessable.

SECTION 5. Subsection 7(A) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

(A) Existence. Preserve and keep in full force and effect its corporate or limited liability company existence and good standing in the jurisdiction of its incorporation or formation, and its qualification to transact business and good standing in all places in which the failure to be so qualified or in good standing could reasonably be expected to have a Material Adverse Effect; provided, that this Subsection 7(A) shall not prohibit the merger or dissolution of any Subsidiary otherwise permitted hereunder.

SECTION 6. Subsection 7(M) of the MLA is hereby amended by amending and restating such Subsection to read in its entirety as follows:

Capitalization. Acquire capital in CoBank in such amounts and at such times as CoBank may from time to time require in accordance with its Bylaws and Capital Plan (as each may be amended from time to time), except that the maximum amount of capital that the Borrower may be required to purchase in connection with a Loan may not exceed the maximum amount permitted by the Bylaws at the time the Supplement relating to such Loan is entered into or such Loan is renewed or refinanced by CoBank. The rights and obligations of the parties with respect to such capital and any patronage or other distributions made by CoBank shall be governed by CoBank's Bylaws and Capital Plan (as each may be amended from time to time).

SECTION 7. Subsection 8(A)(1) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Borrowings. Create, incur, assume, or allow to exist, directly or indirectly, any Indebtedness except for (i) Indebtedness to CoBank, (ii) Indebtedness under purchase money security agreements and Capital Leases ("**Purchase Money Indebtedness**"), the aggregate principal amount of which does not exceed \$15,000,000 in the aggregate for the Borrower and its subsidiaries at any one time, (iii) obligations to any Pledged Subsidiary, and (iv) other unsecured Indebtedness not to exceed \$10,000,000 in the aggregate principal amount for the Borrower and its subsidiaries at any one time.

SECTION 8. Subsection 8(B)(1) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Borrowings. Create, incur, assume, or allow to exist, directly or indirectly, any Indebtedness except for (i) Indebtedness to CoBank, (ii) Purchase Money Indebtedness, the aggregate principal amount of which does not exceed \$15,000,000 for the Borrower and its subsidiaries at any one time, (iii) Indebtedness to the Borrower or any other Pledged Subsidiary, (iv) Indebtedness of Shenandoah Telephone Company to the Rural Utilities Service (the "**RUS**") outstanding on November 30, 2004 or incurred pursuant to any RUS loan commitment in effect on November 30, 2004, and (v) other unsecured Indebtedness not to exceed \$10,000,000 in the aggregate principal amount for the Borrower and its subsidiaries at any one time.

SECTION 9. Clause (viii) of Subsection 8(A)(2) of the MLA is hereby amended by amending and restating such clause to read in its entirety as "(viii) [reserved]".

SECTION 10. Subsection 8(A)(3) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Fundamental Changes. (i) Merge or consolidate with any other entity, or acquire all or substantially all of the assets or ownership interests of any person or entity, provided that (a) the Borrower and the Pledged Subsidiaries may without the consent of CoBank acquire, in the aggregate, all or substantially all of the assets or ownership interests of any person or persons or entity or entities, so long as after giving effect to such asset or ownership interest acquisitions, (x) the Borrower in each case is in compliance on a pro forma basis with the covenants set forth in Subsections 7(J) through 7(L) hereof and (y) in the case of an acquisition of all or substantially all of the ownership interests of an entity, the Borrower is in compliance with clause (ii) of this Subsection 8(A)(3), and (b) any Pledged Subsidiary that owns no material assets shall be permitted to merge into the Borrower so long as the Borrower is the surviving entity, (ii) form or create any subsidiary or affiliate (a) in the case of a corporation, other than in compliance with the provisions of Section 2 of Stock Pledge Agreement, and (b) in the case of a limited liability company, partnership or other legal entity not constituting a corporation, unless the Borrower first enters into a pledge agreement substantially similar to the Stock Pledge Agreement relevant to such form of entity and such formation or creation is in compliance with the provisions of such pledge agreement; provided, however, that the requirements of this clause (b) shall not be applicable until the Borrower acquires, directly or indirectly, fifty percent (50%) or more of the ownership interests of such limited liability company, partnership or other legal entity, (iii) commence operations under any other name, organization, or entity, including any joint venture or (iv) issue any additional capital stock other than to the Borrower.

SECTION 11. Subsection 8(B)(3) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Fundamental Changes. (i) Merge or consolidate with any other entity, or acquire all or substantially all of the assets or ownership interests of any person or entity, provided that (a) the Borrower and the Pledged Subsidiaries may without the consent of CoBank acquire, in the aggregate, all or substantially all of the assets or ownership interests of any person or persons or entity or entities, so long as after giving effect to such asset or ownership interest acquisitions, (x) the Borrower in each case is in compliance on a pro forma basis with the covenants set forth in Subsections 7(J) through 7(L) hereof and (y) in the case of an acquisition of all or substantially all of the ownership interests of an entity, the Pledged Subsidiaries are each in compliance with clause (ii) of this Subsection 8(B)(3), (b) any Pledged Subsidiary shall be permitted to merge, consolidate, or transfer all or substantially all of its assets to any other Pledged Subsidiary, and (c) any Pledged Subsidiary that owns no material assets shall be permitted to merge into the Borrower so long as the Borrower is the surviving entity, (ii) form or create any subsidiary or affiliate, unless such Pledged Subsidiary first enters into a pledge agreement substantially similar to the Stock Pledge Agreement relevant to the form of entity to be formed or created and such formation or creation is in compliance with the provisions of such pledge agreement; provided, however, that the requirements of this clause (ii) shall not be applicable until the Borrower and any Pledged Subsidiary acquires, directly or indirectly, in the aggregate fifty percent (50%) or more of the ownership interests of such legal entity, (iii) commence operations under any other name, organization, or entity, including any joint venture or (iv) issue any additional capital stock other than to the Borrower.

SECTION 12. Subsection 8(A)(4) of the MLA is hereby amended by replacing the word “Sell” in the first line thereof with the phrase “Except as permitted pursuant to Subsection 8(A)(3), sell”.

SECTION 13. Subsection 8(B)(4) of the MLA is hereby amended by replacing the word “Sell” in the first line thereof with the phrase “Except as permitted pursuant to Subsection 8(B)(3), sell”.

SECTION 14. Subsection 8(A)(8) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

(8) Distributions. Make, declare or pay, directly or indirectly, any dividend or other distribution of assets (other than any dividend or other distribution to the extent payable in capital stock of the Borrower that is not a Disqualified Stock (as hereinafter defined)) to shareholders of the Borrower, or retire, redeem, purchase or otherwise acquire for value any capital stock of the Borrower (collectively, the “**Distributions**”); provided, that the Borrower may declare or pay a Distribution in any fiscal year in an aggregate amount (the “**Maximum Annual Distribution**”) equal to the greater of (x) \$10,000,000 or (y) 100% of the immediately preceding fiscal year’s aggregate after-tax consolidated net income of the Borrower, if and only if, no Potential Default or Event of

Default then exists and no violation of Sections 7(J) through 7(L) hereof will result after giving effect to any such Distribution; provided, further, if in any fiscal year ending on or after December 31, 2008, the Borrower does not make Distributions in the full amount of the Maximum Annual Distribution (collectively, the “**Unused Permitted Distributions**”), then during succeeding fiscal years, the Borrower may, in addition to the Maximum Annual Distribution, make additional Distributions in an aggregate amount of up to but not exceeding such Unused Permitted Distributions, if and only if, no Potential Default or Event of Default then exists and no violation of Sections 7(J) through 7(L) hereof will result after giving effect to any such Distributions.

“**Disqualified Stock**” means any capital stock or other ownership or profit interest of Borrower that is or, upon the passage of time or the occurrence of any event may become, obligated to redeem, purchase, retire, defease or otherwise make any payment in respect of such capital stock in consideration other than additional capital stock (other than Disqualified Stock), if such obligation matures or has the potential to mature sooner than one year after the repayment in full of all obligations hereunder.

SECTION 15. Subsection 9(E) of the MLA is hereby amended by amending and restating such subsection to read in its entirety as follows:

Cross-Default. The occurrence, after giving effect to any applicable notice and grace period, of any breach, default, or event of default under any agreement (other than the Loan Documents), including, without limitation, any guaranty, loan agreement, security agreement, mortgage, deed to secure debt, or deed of trust, between either the Borrower or any Pledged Subsidiary and CoBank, or between the Borrower or any Pledged Subsidiary and any affiliate of CoBank, including, without limitation, Farm Credit Leasing Services Corporation.

SECTION 16. Schedule 6(N) of the MLA is hereby amended by replacing such Schedule 6(N) with the Schedule 6(N) attached hereto as Exhibit A.

SECTION 17. Subsection 10(F) of the MLA is hereby amended by amending and restating such Subsection to read in its entirety as follows:

Default Rate. In addition to the rights and remedies set forth in this Section 10 and notwithstanding any Note or Supplement, if prior to the maturity of any Loan, the Borrower fails to make any payment or investment required to be made under the terms of any Note or Supplement (except to extent the making of such required investment is entirely within the control of CoBank) or following the occurrence of an Event of Default then, at CoBank’s option in each instance, such payment or investment shall accrue interest at 2% per annum in excess of the interest rate otherwise applicable to such Loan from the date due until such amount, including interest accrued thereon in accordance with the terms hereof, is paid in full, or, if no rate is specifically applicable to such obligation or payment,

then at 2% per annum in excess of the variable rate described in the Supplements. After maturity of any Loan, whether by reason of acceleration or otherwise, the unpaid principal balance of the Loan (including, without limitation, principal, interest, fees and expenses) shall automatically accrue interest at 2% per annum in excess of the interest rate otherwise applicable to such Loan, or, if no rate is specifically applicable to such obligation or payment, then at 2% per annum in excess of the variable rate described in the Supplements. All interest provided for herein shall be payable on demand and shall be calculated from and including the date such payment, obligations or investment was due to, but excluding, the date paid on the basis of a year consisting of 360 days.

SECTION 18. The definition of “Net Insurance Proceeds” in Section 6(B) of each of the Term Supplement and the Third Supplement is hereby amended by amending and restating such definition to read in its entirety as follows:

“**Net Insurance Proceeds**” means cash proceeds received by the Borrower or any Pledged Subsidiary from any insurer under any casualty insurance policy or similar insurance policy with respect to any loss, damage or destruction of any asset or property owned by it, net of (i) the costs of recovery of such insurance proceeds and (ii) amounts applied to repayment of Indebtedness (other than to CoBank) secured by a lien on the related asset or property.

SECTION 19. Subsection 6(D) of the Term Supplement is hereby amended by inserting at the end of such subsection the following sentence:

Unless otherwise specified by the Borrower in writing, as between mandatory repayments required pursuant to this Section 6, Section 6 of that certain Fourth Supplement to the Master Loan Agreement, dated as of October 22, 2008, between CoBank and the Borrower (CoBank Loan No. ML0743-T4) (as amended, restated, supplemented or otherwise modified from time to time, the “Fourth Supplement”), and Section 6 of that certain Third Supplement, dated as of November 30, 2004, between CoBank and the Borrower (CoBank Loan No. ML0743-T3) (as amended, restated, supplemented or otherwise modified from time to time, the “Third Supplement”), the Borrower shall first make mandatory repayments under the Third Supplement, then this Section 6, and then the Fourth Supplement.

SECTION 20. The last sentence of Subsection 6(D) of the Third Supplement is hereby amended by amending and restating such sentence to read in its entirety as follows:

Unless otherwise specified by the Borrower in writing, as between mandatory repayments required pursuant to this Section 6, Section 6 of that certain Fourth Supplement to the Master Loan Agreement, dated as of October 22, 2008, between CoBank and the Borrower (CoBank Loan No. ML0743-T4) (as amended, restated, supplemented or otherwise modified from time to time, the “Fourth Supplement”), and Section 6 of that certain Term Supplement, dated as of

June 22, 2001, between CoBank and the Borrower (CoBank Loan No. ML0743-T2) (as amended, restated, supplemented or otherwise modified from time to time, the "Term Supplement"), the Borrower shall first make mandatory repayments under this Section 6, then the Term Supplement, and then the Fourth Supplement.

SECTION 21. The WHEREAS clauses of the Recitals to the Pledge Agreement are hereby amended by amending and restating such clauses to read in their entirety as follows:

WHEREAS, CoBank and the Pledgor have entered into that certain Second Amended and Restated Master Loan Agreement, dated as of November 30, 2004 (as the same may be amended, supplemented, extended or restated from time to time, the "MLA"), that certain Term Supplement, dated as of June 22, 2001 (as the same may be amended, supplemented, extended or restated from time to time, the "Term Supplement") providing for a term loan of \$45,965,690, that certain Third Supplement to the Master Loan Agreement, dated as of November 30, 2004 (as the same may be amended, supplemented, extended or restated from time to time, the "Third Supplement") providing for a reducing revolving line of credit of up to \$15,000,000 (the "Revolving Loan"), and that certain Fourth Supplement to the Master Loan Agreement, dated as of October 22, 2008 (as the same may be amended, supplemented, extended or restated from time to time, the "Fourth Supplement") providing for a delayed draw term loan of up to \$52,000,000 (the "Delayed Draw Term Loan"); and

WHEREAS, as an inducement to CoBank to execute the Third Supplement and to make the Revolving Loan, the Pledgor agreed to amend and restate the then existing amended and restated pledge agreement, dated as of June 22, 2001, between CoBank and the Pledgor; and

WHEREAS, as an inducement to CoBank to execute the Fourth Supplement and to make the Delayed Draw Term Loan, the Pledgor has agreed to amend the Pledge Agreement and the certain other Loan Documents as described in that certain Agreement Regarding Amendments to and Consent Regarding Loan Documents, dated as of October 22, 2008, between CoBank and the Pledgor; and

WHEREAS, to secure the Pledgor's obligations to CoBank under the MLA (as such obligations relate to the Term Supplement, the Third Supplement and the Fourth Supplement), the Term Supplement, the Third Supplement and the Fourth Supplement, the Pledgor has agreed to pledge to CoBank the hereinafter defined Pledged Collateral on the terms and conditions set forth in this Pledge Agreement;

SECTION 22. Subsection 2(a) of the Pledge Agreement is hereby amended by amending and restating such Subsection to read in its entirety as follows:

(a) all capital stock of Shenandoah Telephone Company, Shenandoah Cable Television Company, ShenTel Service Company, Shenandoah Personal Communications Company, Shenandoah Wireless Company (formerly known as Shenandoah Valley Leasing Company), Shenandoah Mobile Company, Shenandoah Long Distance Company, ShenTel Communications Company, Shenandoah Network Company, ShenTel Converged Services of West Virginia, Inc., Shentel Converged Services, Inc., Shentel Management Company, and Shentel Cable Company now owned or hereafter acquired by the Pledgor, and any other corporation of which the Pledgor now owns or hereafter acquires fifty percent (50%) or more of the issued and outstanding capital stock (all such corporations, collectively, the “Pledged Subsidiaries”) and

SECTION 23. The definition of “Secured Obligations” in Section 2 of the Pledge Agreement is hereby amended by amending and restating such definition to read in its entirety as follows:

(i) the payment and performance of all obligations of the Pledgor under the MLA (as such obligations relate to the Term Supplement, the Third Supplement and the Fourth Supplement), the Term Supplement, the Third Supplement, and the Fourth Supplement, any related Notes and other Loan Documents executed in connection therewith, and (ii) the payment of all other indebtedness and the performance of all other obligations of the Pledgor to CoBank under any future supplement which by its terms provides that the loan or other extension of credit described therein shall be secured by a lien and security interest in the Pledged Collateral pursuant to this Pledge Agreement.

SECTION 24. Section 4 of the Pledge Agreement is hereby amended by inserting the phrase “, except as otherwise permitted under the MLA” immediately following the term “Pledged Subsidiaries” in clause (c) thereof.

SECTION 25. Subsection 5(A)(iii) of the Pledge Agreement is hereby amended by inserting the phrase “(other than any return of capital or cash distributions received by the Pledgor in connection with a disposition of a Pledged Subsidiary or the assets of a Pledged Subsidiary that is otherwise permitted under the MLA)” immediately following the term “Pledged Subsidiaries” in the third line thereof.

SECTION 26. Subsection 20(D) of the Pledge Agreement is hereby amended by amending and restating such Subsection to read in its entirety as follows:

To the extent required by Law, CoBank shall notify the Pledgor and the FCC in writing at least ten (10) days prior to the date on which CoBank intends to exercise its rights, pursuant to this Pledge Agreement or any other Loan Document, by foreclosing on, or otherwise disposing of, any Pledged Collateral in connection with which such notice is required.

SECTION 27. Schedule 1 to the Pledge Agreement is hereby amended and restated in its entirety by replacing such Schedule 1 with the Schedule 1 attached hereto as **Exhibit B**.

SECTION 28. Pursuant to Subsection 8(A)(3) of the MLA, the Borrower has covenanted, subject to certain exceptions, not to merge or consolidate with any other entity or acquire all or substantially all of the assets of any person or entity. Pursuant to Subsection 8(B)(3) of the MLA, the Borrower has covenanted that, subject to certain exceptions, none of the Subsidiaries will merge or consolidate with any other entity or acquire all or substantially all of the assets of any person or entity. Pursuant to Subsection 4(c) of the Pledge Agreement, the Borrower has covenanted not to consent to or approve of any merger, consolidation, reorganization or any sale or lease of substantially all the assets of any of the Pledged Subsidiaries. The Borrower has requested that CoBank, pursuant to Subsections 8(A)(3) and 8(B)(3) of the MLA and Subsection 4(c) of the Pledge Agreement, consent to the dissolution, and if applicable, merger into the Borrower, of Shenandoah Wireless Company (f/k/a Shenandoah Valley Leasing Company). In reliance on the representations, warranties and agreements provided and made by the Borrower to CoBank herein and in connection with the request for such consent, upon the effectiveness of this Amendment Agreement, CoBank hereby (i) consents to such dissolution, and, if applicable, merger into the Borrower, of Shenandoah Wireless Company and (ii) agrees to deliver to the Borrower, upon request, such original stock certificates, as are in CoBank's possession, evidencing the Borrower's ownership of the equity interest in Shenandoah Wireless Company for cancellation.

SECTION 29. Pursuant to Subsection 8(A)(4) of the MLA, the Borrower has, subject to certain exceptions, covenanted not to sell, transfer, lease, enter into any contract for the sale, transfer or lease of, or otherwise dispose of, any of its operating assets. Pursuant to Subsection 8(B)(4) of the MLA, the Borrower has covenanted that, subject to certain exceptions, none of the Subsidiaries will sell operating assets. Pursuant to Subsection 4(c) of the Pledge Agreement, the Borrower has covenanted not to consent to or approve of any merger consolidation, reorganization or any sale or lease of substantially all the assets of any of the Pledged Subsidiaries. The Borrower has requested that CoBank, pursuant to Subsections 8(A)(4) and 8(B)(4) of the MLA and Subsection 4(c) of the Pledge Agreement, consent to the sale of the equity interests in, or assets of, Shentel Converged Services, Inc. In reliance on the representations, warranties and agreements provided and made by the Borrower to CoBank herein and in connection with the request for such consent, upon the effectiveness of this Amendment Agreement, CoBank hereby consents to such sale of equity interests or assets of Shentel Converged Services, Inc. and further agrees that (i) such sale shall not count against the \$5,000,000 or \$25,000,000 thresholds set forth in the proviso of Subsection 8(A)(4) or 8(B)(4) and (ii) in the event such sale takes the form of an asset sale, the subsequent dissolution, or merger into the Borrower, of Shentel Converged Services, Inc. shall be permitted so long as the Borrower is the surviving entity. In connection with any such sale, CoBank will take such actions as may be reasonably requested by the Borrower to release all liens attributable to it on the equity interests of Shentel Converged Services, Inc., including, without limitation, delivering any share certificates evidencing such equity interests in escrow in advance of the closing of such sale.

SECTION 30. Neither this Amendment Agreement nor any prior amendment to the Loan Agreement or other Loan Documents shall constitute a novation of the Loan Agreement or the other Loan Documents. The Borrower acknowledges and expressly agrees that this Amendment Agreement is limited to the extent expressly set forth herein and shall not constitute a modification of the Loan Agreement or any other Loan Documents or a course of dealing at variance with the terms of the Loan Agreement or any other Loan Documents (other than as expressly set forth above) so as to require further notice by CoBank, of its intent to require strict adherence to the terms of the Loan Agreement and the other Loan Documents in the future. All of the terms, conditions, provisions and covenants of the Loan Agreement and the other Loan Documents shall remain unaltered and in full force and effect except as expressly modified by this Amendment Agreement. The Loan Agreement and each other Loan Document shall be deemed modified hereby solely to the extent necessary to effect the amendments and consents contemplated hereby.

SECTION 31. All references to the MLA, the Term Supplement, the Third Supplement or Pledge Agreement (collectively, the "**Amended Documents**") in any of the Amended Documents, or in any other documents, instruments or agreements executed or delivered in connection therewith, shall be deemed a reference to such Amended Document as amended by this Amendment Agreement. Except as expressly provided in this Amendment Agreement, the execution and delivery of this Amendment Agreement does not and will not amend, modify or supplement any provision of, or constitute a consent to or a waiver of any noncompliance with the provisions of, the Loan Agreement or the other Loan Documents, and, except as specifically provided in this Amendment Agreement, the Loan Agreement and the other Loan Documents shall remain in full force and effect.

SECTION 32. The Borrower hereby represents and warrants to CoBank as follows:

(a) Such entity has the right and power, and has taken all necessary action to authorize it, to execute, deliver and perform this Amendment Agreement in accordance with its terms. This Amendment Agreement has been duly executed and delivered by such entity and is a legal, valid and binding obligation of it, enforceable against it in accordance with its terms.

(b) The execution, delivery and performance of this Amendment Agreement in accordance with its terms do not and will not, by the passage of time, the giving of notice or otherwise,

(i) require any governmental approval or violate any applicable Law relating to such entity;

(ii) conflict with, result in a breach of or constitute a default under the organizational documents of such entity, any material provision of any indenture, agreement or other instrument to which it is a party or by which it or any of its properties may be bound or any governmental approval relating to it; or

(iii) result in or require the creation or imposition of any lien (except as permitted by the Loan Agreement and the other Loan Documents) upon or with respect to any property now owned or hereafter acquired by such entity.

(c) that, after giving effect to the amendments and consents set forth in this Amendment Agreement, the representations and warranties of such entity set forth in the Loan Agreement and the other Loan Documents are true and correct as of the date hereof as if made on the date hereof.

(d) no Potential Default or Event of Default under the Loan Agreement and the other Loan Documents has occurred and is continuing as of this date.

SECTION 33. The Borrower, as the maker of the Loan Agreement and certain other Loan Documents, hereby confirms and agrees that (a) each such document, as amended hereby, as applicable, is and shall continue to be in full force and effect, and (b) the obligations secured by each such document include any and all obligations of the Borrower to CoBank under the MLA, as amended by this Amendment Agreement, and the Term Supplement, Third Supplement and Fourth Supplement.

SECTION 34. This Amendment Agreement shall become effective as of its date. All obligations and rights of the Borrower and CoBank arising out of or relating to the period commencing on the effective date hereof shall be governed by the terms and provisions of the Loan Agreement as amended by this Amendment Agreement; the obligations of and rights of the Borrower and CoBank arising out of or relating to the period prior to the date hereof shall continue to be governed by the Loan Agreement without giving effect to the amendment provided for herein.

SECTION 35. The Borrower agrees to pay CoBank, on demand, all out-of-pocket costs and expenses incurred by CoBank, including, without limitation, the reasonable fees and expenses of counsel retained by CoBank, in connection with the negotiation, preparation, execution and delivery of this Amendment Agreement and all other instruments and documents contemplated hereby.

SECTION 36. This Amendment Agreement may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original and shall be binding upon all parties and their respective permitted successors and assigns, and all of which taken together shall constitute one and the same agreement.

SECTION 37. Except to the extent governed by applicable federal law, this Amendment Agreement shall be governed by and construed in accordance with the laws of the State of Virginia, without reference to choice of law doctrine.

[Signatures on following page.]

IN WITNESS WHEREOF, the Borrower has caused this Amendment Agreement to be executed and delivered, and CoBank has caused this Amendment Agreement to be executed and delivered, each by its respective duly authorized officer as of the date first shown above.

**SHENANDOAH TELECOMMUNICATIONS
COMPANY**

By: _____
Christopher E. French
President

[Signatures continued on next page.]

[Signatures continued from previous page.]

COBANK, ACB

By: _____
Gloria S. Hancock
Vice President

Exhibit A

SCHEDULE 6(N)

SUBSIDIARIES

Entity	Number of Shares Owned by the Pledgor	Percentage of Total Outstanding Shares Owned by the Pledgor
Shenandoah Telephone Company	5,000	100%
Shenandoah Cable Television Company	3,610	100%
ShenTel Service Company	4,800	100%
Shenandoah Personal Communications Company	18	100%
Shenandoah Wireless Company (f/k/a Shenandoah Valley Leasing Company)	1,500	100%
Shenandoah Mobile Company	5,000	100%
Shenandoah Long Distance Company	50	100%
ShenTel Communications Company	1	100%
Shenandoah Network Company	712	100%
Shentel Converged Services of West Virginia, Inc.	1	100%
Shentel Converged Services, Inc.	1	100%
Shentel Management Company	1	100%
Shentel Cable Company	1	100%

Exhibit B

**SCHEDULE 1
to
PLEDGE AGREEMENT**

Entity	Number of Shares Owned by the Pledgor	Certificate Number(s)	Percentage of Total Outstanding Shares Owned by the Pledgor
Shenandoah Telephone Company	5,000	9293	100%
Shenandoah Cable Television Company	3,610	6-17	100%
ShenTel Service Company	4,800	3-13	100%
Shenandoah Personal Communications Company	18	1-11	100%
Shenandoah Wireless Company (f/k/a Shenandoah Valley Leasing Company)	1,500	3	100%
Shenandoah Mobile Company	5,000	4-8, 4-A	100%
Shenandoah Long Distance Company	50	1	100%
ShenTel Communications Company	1	1	100%
Shenandoah Network Company	712	1-8	100%
Shentel Converged Services of West Virginia, Inc.	1	1	100%
Shentel Converged Services, Inc.	1	1	100%
Shentel Management Company	1	1	100%
Shentel Cable Company	1	1	100%

**FOURTH SUPPLEMENT
TO THE MASTER LOAN AGREEMENT**

THIS FOURTH SUPPLEMENT TO THE MASTER LOAN AGREEMENT (this "**Fourth Supplement**"), entered into as of October 22, 2008, is between **COBANK, ACB** ("**CoBank**") and **SHENANDOAH TELECOMMUNICATIONS COMPANY** (the "**Borrower**"), and supplements that certain Second Amended and Restated Master Loan Agreement, dated as of November 30, 2004, between CoBank and the Borrower (as amended, modified, supplemented, extended or restated from time to time, the "**MLA**"). Capitalized terms used and not otherwise defined in this Fourth Supplement have the meanings assigned to them in the MLA.

SECTION 1. Delayed Draw Term Loan. On the terms and conditions set forth in the MLA and this Fourth Supplement, CoBank agrees to make a loan to the Borrower (the "**Loan**"), by means of one or more advances during the period (the "**Availability Period**") commencing on the Closing Date (as defined in Section 3 of this Fourth Supplement), and expiring at 12:00 noon Eastern time on December 31, 2009 (the "**Termination Date**"), in an aggregate principal amount outstanding at any one time not to exceed \$52,000,000 (the "**Commitment**"), as the Commitment will be reduced from time to time pursuant to Subsections 6(A), (D) and (E) and Section 8 on or before the Termination Date. Under the Loan, amounts borrowed and later repaid or prepaid may be reborrowed at any time prior to and including the Termination Date.

SECTION 2. Purpose. The purposes for which advances under the Commitment may be used are (i) to finance the purchase of certain cable system assets by Shentel Cable Company ("**Shentel Cable**") from Rapid Communications LLC and Rapid Acquisition Co., LLC (collectively, the "**Sellers**") (the "**Acquisition**"), (ii) to finance other acquisitions permitted under the Loan Documents, and (iii) for general corporate purposes of the Borrower and/or its Subsidiaries, including capital expenditures, working capital, and closing costs and fees associated with the Acquisition and the Loan. The Borrower agrees that the proceeds of the Loan are to be used only for the purposes set forth in this Section 2.

SECTION 3. Availability. Subject to Sections 2 of the MLA and Section 10 of this Fourth Supplement and the other conditions set forth in the MLA, during the period commencing on the date on which all conditions precedent to the initial advance under the Loan are satisfied (the "**Closing Date**") and ending on and including the Termination Date, advances on the Loan will be made as provided in the MLA; provided, however, that with respect to any advance to be subject to a fixed rate option (as described in Subsections 4(A)(2) and 4(A)(3) of this Fourth Supplement, a "**Fixed Rate Option**"), a request for such advance must be received no later than 12:00 noon Eastern time three Business Days or Banking Days (as defined in Subsection 4(A)(2) of this Fourth Supplement), as applicable, prior to the day such advance is desired; and provided, further, that the Closing Date must occur on or prior to December 31, 2008.

SECTION 4. Interest.

(A) **Rate Options; Etc.** The Borrower agrees to pay interest on the unpaid principal balance of the Loan in accordance with one or more of the following interest rate options, as selected by the Borrower:

(1) **Variable Rate Option.** As to any portion of the unpaid principal balance of the Loan selected by the Borrower (any such portion, and any portion selected pursuant to Subsections 4(A)(2) and 4(A)(3) below, is hereinafter referred to as a "**Portion**" of the Loan), interest will accrue pursuant to this variable rate option at a variable annual interest rate (the "**Variable Rate**") equal at all times to the rate of interest established for the Borrower by CoBank in its sole and absolute discretion on the first Business Day of each week. The rate of interest so established by CoBank shall be effective from and including the first Business Day of each week to and excluding the first Business Day of the next week. Each change in the Variable Rate will be applicable to the Portion of the Loan subject to this option and information about the then current Variable Rate shall be made available to the Borrower upon telephonic request.

(2) **LIBOR Option.** As to any Portion or Portions of the Loan selected by the Borrower, interest shall accrue pursuant to this LIBOR option at a margin (the "**LIBOR Margin**") equal to the percentage determined from time to time in accordance with Subsection 4(A)(5) of this Fourth Supplement. Under this option: (i) rates may be fixed for Interest Periods (as hereinafter defined) of one, two, three, or six months, as selected by the Borrower; (ii) amounts fixed must be in increments of \$100,000 or multiples thereof; and (iii) rates may only be fixed on a Banking Day (as hereinafter defined) on three Banking Days' prior written notice; provided, however, that the LIBOR option is not available with respect to new advances during the continuance of any Event of Default. "**LIBOR**" means the rate (rounded upward to the nearest sixteenth and adjusted for reserves required on Eurocurrency Liabilities (as hereinafter defined) for banks subject to FRB Regulation D (as hereinafter defined) or required by any other federal law or regulation) quoted by the British Bankers Association (the "**BBA**") at 11:00 a.m. London time two Banking Days before the commencement of the Interest Period for the offering of U.S. dollar deposits in the London interbank market for the Interest Period designated by the Company, as published by Bloomberg or another major information vendor listed on BBA's official website. "**Banking Day**" means a day on which CoBank is open for business, dealings in U.S. dollar deposits are being carried out in the London interbank market, and banks are open for business in New York City and London, England. "**Interest Period**" means the time period chosen by the Borrower during which the chosen Fixed Rate Option is to apply to a Portion of the Loan, which period commences on the day a rate fixed under this Subsection 4(A)(2) or Subsection 4(A)(3) of this Fourth Supplement becomes effective. The Interest Period for Portions accruing interest at the LIBOR option rate will end on the day in the next calendar month or in the month that is one, two, three, or six months thereafter which corresponds numerically with the day the Interest Period commences; provided, however, that: (a) in the event such ending day is not a Banking Day, such period will be extended to the next Banking

Day unless such next Banking Day falls in the next calendar month, in which case it will end on the preceding Banking Day; and (b) if there is no numerically corresponding day in the month, then such period will end on the last Banking Day in the relevant month. No Interest Period shall extend beyond the Maturity Date. **“Eurocurrency Liabilities”** has the meaning as set forth in FRB Regulation D. **“FRB Regulation D”** means Regulation D as promulgated by the Board of Governors of the Federal Reserve System, 12 CFR Part 204, as amended from time to time.

(3) **Quoted Rate Option.** As to any Portion or Portions of the Loan selected by the Borrower, interest shall accrue pursuant to this quoted rate option at a fixed annual interest rate (the **“Quoted Rate”**) to be quoted by CoBank in its sole and absolute discretion in each instance. Under this option, the interest rate on such Portion or Portions of the Loan may be fixed for such Interest Periods as may be agreeable to CoBank in its sole and absolute discretion in each instance; provided, however, that (i) such Interest Period shall not extend beyond the Maturity Date and such Interest Period may only expire on a Business Day, (ii) the minimum fixed period shall be 30 days, (iii) amounts fixed must be in increments of \$100,000 or multiples thereof, and (iv) the Quoted Rate option will not be available with respect to new advances during the continuance of any Event of Default.

(4) **Rate Combinations.** Notwithstanding the foregoing, at any one time there may be no more than five Portions of the Loan in the aggregate accruing interest pursuant to any fixed rate option.

(5) **Applicable Margin.** Initially, and continuing through the day immediately preceding the first Adjustment Date (as hereinafter defined in this Subsection 4(A)(5)) on which the Borrower demonstrates that a change in the LIBOR Margin is warranted and requests such change, the applicable LIBOR Margin shall be 1.25%. Commencing on such Adjustment Date, the LIBOR Margin will be determined based on the Borrower’s consolidated Total Leverage Ratio on the last day of each fiscal quarter of the Borrower, as set forth in the following table:

<u>Total Leverage Ratio</u>	<u>LIBOR Margin</u>
Greater than 1.50:1.00	1.75%
Greater than 1.00:1.00 and less than or equal to 1.50:1.00	1.50%
Less than or equal to 1.00:1.00	1.25%

The LIBOR Margin shall be (i) increased, if warranted, beginning the 5th Business Day following CoBank’s receipt of the financial statements required pursuant to Subsections 7(I)(1) and 7(I)(2) of the MLA and the compliance certificate required

pursuant to Subsection 7(I)(8) of the MLA and (ii) decreased, if warranted, beginning the 5th Business Day following CoBank's receipt of such financial statements and compliance certificate and the Borrower's written request to decrease such margin (each such date described in (i) and (ii), an "**Adjustment Date**"). In the event that (a) an Event of Default occurs or (b) CoBank shall not receive when due such financial statements and compliance certificate, then from such due date and until the 5th Business Day following CoBank's receipt of such overdue financial statements and compliance certificate (and in the event a decrease in the LIBOR Margin is then warranted, receipt of the Borrower's written request to decrease such margin), the LIBOR Margin shall be 1.75%.

(6) Selection and Changes of Rates. The Borrower shall select the rate option or options applicable to the Loan at the time it requests an advance under the Loan. Thereafter, with respect to Portions of the Loan accruing interest at the Variable Rate Option, the Borrower may, on any Business Day, subject to Subsections 4(A)(2), 4(A)(3) and 4(A)(4) of this Fourth Supplement, elect to have one of the Fixed Rate Options apply to such Portion. In addition, with respect to any Portion of the Loan accruing interest pursuant to a Fixed Rate Option, the Borrower may, subject to Subsections 4(A)(2), 4(A)(3) and 4(A)(4) of this Fourth Supplement, on the last day of the Interest Period for such Portion (or, if applicable, such earlier date as specified in Subsection 4(A)(2)), elect to fix the interest rate accruing on such Portion for another Interest Period pursuant to one of the Fixed Rate Options. From time to time the Borrower may elect, on a Business Day prior to the expiration of the Interest Period (or, if applicable, such earlier date as specified in Subsection 4(A)(2)) for any Portion of the Loan accruing interest pursuant to a Fixed Rate Option, and upon payment of the applicable Surcharge (as defined in, and calculated pursuant to, Section 7 of this Fourth Supplement) to convert all, but not part, of such Portion of the Loan so that it accrues interest at the Variable Rate option or a combination of the Variable Rate option and a Fixed Rate Option, for a new Interest Period or Interest Periods selected in accordance with Subsections 4(A)(2), 4(A)(3) or 4(A)(4) of this Fourth Supplement. Except for the initial selection, all interest rate selections provided for herein shall be made by electronic (if applicable), telephonic or written request of an authorized employee of the Borrower and must be received by CoBank by 12:00 noon, Eastern time, on the relevant day. In taking actions upon telephonic requests, CoBank shall be entitled to rely on (and shall incur no liability to the Borrower in acting upon) any request made by a person identifying himself or herself as one of the persons authorized by the Borrower to select interest rates hereunder; provided, however, that in the case of LIBOR rate loans, all such selections must be confirmed in writing upon CoBank's request. **Notwithstanding the foregoing, rates may not be fixed in such a manner as to cause the Borrower to have to break any fixed rate balance in order to pay any installment of principal.**

(7) Accrual of Interest. Interest shall accrue pursuant to the Fixed Rate Options from and including the first day of the applicable Interest Period to but excluding the last day of the Interest Period. If the Borrower elects to refix the interest rate on any Portion of the Loan accruing interest pursuant to one of the Fixed Rate Options pursuant to Subsection 4(A)(6) of this Fourth Supplement, the first day of the new Interest Period

shall be the last day of the preceding Interest Period. In the absence of any such election, interest shall accrue on such Portion at the Variable Rate Option from and including the last day of such Interest Period. If the Borrower elects to convert from a Fixed Rate Option to the Variable Rate Option pursuant to Subsection 4(A)(6) of this Fourth Supplement upon payment of the applicable Surcharge as provided in Section 7 of this Fourth Supplement, interest at the applicable fixed rate shall accrue through the day before such conversion and interest at the Variable Rate Option shall accrue on the Portion of the Loan so converted from and including the date of conversion.

(B) Payment and Calculation. The Borrower shall pay interest on the Loan (i) monthly in arrears on the 20th day of the following month (or on such other day in such month as CoBank shall require in a written notice to the Borrower); provided, however, in the event the Borrower elects to fix all or a portion of the indebtedness outstanding under the LIBOR interest rate option above, interest shall be payable at the maturity of the Interest Period and if the LIBOR interest rate fix is for a period longer than 3 months, interest on that Portion shall be payable quarterly in arrears on each three-month anniversary of the commencement date of such Interest Period, and at maturity of such Interest Period, (ii) upon any prepayment (whether due to acceleration or otherwise) and (iii) on the Maturity Date. Interest shall be calculated on the actual number of days the Loan, or any part thereof, is outstanding on the basis of a year consisting of 360 days or 365 days in the case of any Portion accruing interest at the Variable Rate Option. In calculating accrued interest, the date the Loan is made shall be included and the date any principal amount of the Loan is repaid or prepaid shall be excluded as to such amount.

SECTION 5. Fees.

(A) Loan Origination Fee. In consideration of the Commitment, the Borrower agrees to pay to CoBank on the Closing Date a non-refundable origination fee in the amount of \$130,000.

(B) Commitment Fee. In consideration of the Commitment, the Borrower agrees to pay to CoBank a commitment fee on the average daily unused portion of the Commitment at the rate of 0.25% per annum, calculated on a 360-day basis, payable quarterly in arrears by the 20th day of the month following each calendar quarter. Such fee is payable for each quarter (or portion thereof) occurring during the original or any extended term of the Availability Period.

SECTION 6. Repayment of the Loan

(A) Termination of the Commitment. The Commitment will expire on the Termination Date as provided in Section 1 of this Fourth Supplement.

(B) Scheduled Repayments. Commencing on March 31, 2010, and on each June 30, September 30, December 31 and March 31 occurring thereafter (each such date, a "**Payment Date**") through December 31, 2015 (the "**Maturity Date**"), the outstanding principal balance of the Loan as of the Termination Date shall be repaid in 24 equal installments on each such Payment Date (any such repayments will be cumulative and will be in addition to any other repayments pursuant to the MLA or this Fourth Supplement). If any Payment Date is not a

Business Day, then the installment then due shall be paid not later than the next Business Day and shall continue to accrue interest until paid.

(C) Applications of Repayments; Related Interest and Surcharge Payments. If not sooner required to be repaid, all advances under the Loan and all other amounts due and owing hereunder and under the other Loan Documents relating to the Loan shall be due and payable on the Maturity Date. All repayments made pursuant to this Section 6 shall be applied to such Portions of the Loan as the Borrower shall direct in writing or, in the absence of such direction, as the Borrower and CoBank shall agree. At the time of each repayment pursuant to this Section 6, the Borrower shall pay all accrued and unpaid interest on the amount repaid, and any Surcharge due pursuant to Section 7 of this Fourth Supplement in connection with such payment.

(D) Repayments from Insurance Proceeds. If an Event of Default with respect to Section 7(J), (K) or (L) of the MLA has occurred and is continuing or is anticipated to occur within the next twelve (12) months after taking into account on a pro forma basis the proposed use of all Net Insurance Proceeds (as hereinafter defined in this Subsection 6(D)) received by the Borrower during any fiscal year in excess of \$1,000,000 (and the Borrower hereby covenants to cause such Net Insurance Proceeds to be used as so proposed), the Borrower shall repay the Loan in an amount equal to the amount of such Net Insurance Proceeds which are not reinvested in equipment or other assets that are used or useful in the business of the Borrower within 180 days of receipt by the Borrower of such Net Insurance Proceeds. All such repayments shall be applied in accordance with Subsection 6(G) of this Fourth Supplement.

“Net Insurance Proceeds” means cash proceeds received by the Borrower or any Pledged Subsidiary from any insurer under any casualty insurance policy or similar insurance policy with respect to any loss, damage or destruction of any asset or property owned by it, net of (i) the costs of recovery of such insurance proceeds and (ii) amounts applied to repayment of Indebtedness (other than to CoBank) secured by a lien on the related asset or property.

(E) Repayments from Asset Dispositions. The Borrower shall repay the Loan within 180 days of receipt by the Borrower or any Pledged Subsidiary of Net Proceeds (as hereinafter defined in this Subsection 6(E)) from any Asset Disposition (as hereinafter defined in this Subsection 6(E)) in an amount equal to such Net Proceeds, unless such Net Proceeds have been reinvested in equipment or other assets that are used or useful in the business of the Borrower or its Pledged Subsidiaries within such 180-day period. All such repayments shall be applied in accordance with Subsection 6(G) of this Fourth Supplement.

“Asset Disposition” means the disposition, whether by sale, lease, transfer, or otherwise (other than as a result of loss, damage or destruction), by the Borrower, of any or all of its assets, other than (a) bona fide sales of inventory to customers for fair value in the ordinary course of business, (b) dispositions of obsolete equipment not used or useful in the business of the Borrower or its Pledged Subsidiaries, (c) sales of Investments for fair value; and (d) dispositions of assets for which the aggregate market value of assets sold in any one transaction or series of

related transactions for any calendar year does not exceed \$1,000,000 for the Borrower and its Pledged Subsidiaries.

“Net Proceeds” means cash proceeds (other than insurance proceeds) received by the Borrower or any Pledged Subsidiary from any Asset Disposition (including payments under notes or other debt securities received in connection with any Asset Disposition), net of (i) the costs of such sale, lease, transfer or other disposition (including taxes attributable to such sale, lease or transfer) and (ii) amounts applied to repayment of Indebtedness (other than to CoBank) secured by a lien on the asset or property disposed.

(F) Repayment of Loan during Availability Period. If at any time during the Availability Period, the outstanding amount of the Loan exceeds the Commitment, the Borrower shall repay promptly the Loan in an amount at least sufficient to reduce the principal balance of the Loan then outstanding to the amount of the Commitment, and until such repayment is made, CoBank shall not be obligated to make any additional advances on the Loan. Any repayments pursuant to this Subsection 6(F) shall be paid and applied in accordance with Subsection 6(G).

(G) Application of Mandatory Repayments; Related Interest and Surcharge Payments. During the Availability Period, all mandatory repayments made pursuant to Subsections 6(D) and 6(E) of this Fourth Supplement and not otherwise applied pursuant to the Third Supplement or the Term Supplement, shall be applied to permanently reduce the Commitment and, to the extent as a result thereof the Commitment exceeds the then outstanding principal balance of the Loan, to repay the Loan. At all times, all mandatory repayments on the Loan shall be applied to principal installments in the inverse order of their maturity and to such Portions of the Loan as the Borrower shall direct in writing or, in the absence of such direction, as the Borrower and CoBank shall agree. At the time of each such mandatory repayment, the Borrower shall pay all accrued and unpaid interest on the amount repaid and any Surcharge due pursuant to Section 7 of this Fourth Supplement in connection with such payment. Unless otherwise specified by the Borrower in writing, as between mandatory repayments required pursuant to this Section 6, Section 6 of that certain Third Supplement to the Master Loan Agreement, dated as of November 30, 2004, between CoBank and the Borrower (CoBank Loan No. ML0743-T3)(as amended, restated, supplemented or otherwise modified from time to time, the **“Third Supplement”**), and Section 6 of that certain Term Supplement, dated as of June 22, 2001, between CoBank and the Borrower (CoBank Loan No. ML0743-T2) (as amended, restated, supplemented or otherwise modified from time to time, the **“Term Supplement”**), the Borrower shall first make mandatory repayments under the Third Supplement, then the Term Supplement, and then this Section 6.

SECTION 7. Prepayment and Surcharge. The Borrower may, on three Business Day’s prior written notice, prepay in full or in part, in minimum amounts of \$100,000, any portion of the Loan. All voluntary prepayments made on or after the Termination Date pursuant to this Section 7 shall be applied to principal installments in the inverse order of their maturities. All voluntary prepayments made pursuant to this Section 7 shall be applied to such Portions of the Loan as the Borrower shall direct in writing or, in the absence of such direction, as the Borrower and CoBank shall agree. Notwithstanding the foregoing, the Borrower’s right to pay

any portion of the Loan subject to a Fixed Rate Option on any day prior to the last day of the Interest period applicable thereto (whether such payment is made voluntarily, as a result of an acceleration, mandatory repayment or scheduled repayment or otherwise, including for purposes of this Section 7 any conversion under Subsection 4(A)(6) of this Fourth Supplement) shall be conditioned upon the payment of, on the date of such prepayment (or conversion), a Surcharge (as hereinafter defined in this Section 7). Such Surcharge, including the amount of any funding losses incurred by CoBank, shall be determined and calculated in accordance with methodology established by CoBank.

“**Surcharge**” shall mean an amount equal to the greater of (i) \$300 and (ii) the present value of any funding losses incurred or imputed by CoBank to have been incurred as a result of such repayments, prepayment or conversion for the period such amount was scheduled to have been outstanding at such fixed rate (which, if less than \$0, shall be deemed to be \$0).

SECTION 8. Voluntary Reduction of Commitment. During the Availability Period, the Borrower has the right, from to time upon at least three Business Days’ prior notice, to permanently reduce the Commitment in increments of \$1,000,000. No Commitment reduction under this Section 8 will be permitted if, after giving effect to such reduction and any simultaneous payment to CoBank, the aggregate outstanding principal amount of the Loan would exceed the Commitment as so reduced.

SECTION 9. Security. The Loan is secured by the Second Amended and Restated Pledge Agreement, dated as of November 30, 2004, between the Borrower and CoBank (as the same may be amended, modified, supplemented, extended or restated from time to time, the “**Pledge Agreement**”), pursuant to which the Borrower has granted to CoBank a first-priority lien and security interest in all of its now owned or hereafter acquired capital stock or other voting securities in the Pledged Subsidiaries (as defined in the Pledge Agreement).

SECTION 10. Additional Conditions Precedent. In addition to the conditions precedent set forth in the MLA, CoBank’s obligation to make any advance under the Loan, including the initial advance, is subject to the satisfaction of each of the following conditions precedent on or before the date of such advance:

(A) No Material Adverse Change. That from December 31, 2007 to the date of such advance, there has not occurred any event which has had or could reasonably be expected to have a Material Adverse Effect;

(B) Consents and Approvals. Evidence that all governmental, shareholder, corporate and third-party consents and approvals have been obtained as to the Loan Documents;

(C) Fees and Other Charges. All fees and other charges provided for in the MLA or in this Supplement that are due and owing shall have been paid;

(D) Closing Certificate. That CoBank receive on the date of the initial advance a certificate, in the form of Exhibit A attached hereto, from the President of the Borrower as to, among other things, the continuing truth and accuracy of the representations and warranties of

each of the Borrower and its Subsidiaries under the Loan Documents to which it is a party and the satisfaction of each of the conditions applicable to the making of the initial advance; and

(E) Other Information. That CoBank receives such other information regarding the condition, financial or otherwise, and operations of Loan Parties as CoBank shall request and such other opinions, certificates or documents as CoBank shall reasonably request.

SECTION 11. Additional Affirmative Covenants. In addition to the affirmative covenants set forth in the MLA, the Borrower will:

(A) Shentel Cable. Deliver to CoBank's counsel, no later than 5 business days after the date hereof (or such later date as CoBank may in its sole discretion agree to in writing), the original stock certificate evidencing the Borrower's ownership interest in Shentel Cable;

(B) Consummation of Acquisition. Deliver to CoBank, at or before the consummation of the Acquisition (the "**Closing**") (or such later date as CoBank may in its sole discretion agree to in writing), evidence reasonably acceptable to CoBank that the Acquisition was consummated substantially in accordance with the terms and conditions set forth in the Asset Purchase Agreement, dated as of August 6, 2008, by and between Shentel Cable and the Sellers, subject only to such material amendments thereto or waivers thereof as (i) the material terms of which were disclosed by the Borrower to CoBank prior to the closing of this Fourth Supplement, (ii) are not adverse to the interests of CoBank in any material respect or (iii) shall have been consented to by CoBank (such consent not to be unreasonably withheld or delayed);

(C) Consents and Approvals. Deliver to CoBank, at or before the Closing (or such later date as CoBank may in its sole discretion agree to in writing), evidence reasonably acceptable to CoBank that all necessary governmental, shareholder, corporate and third-party consents and approvals of the consummation of the Acquisitions have been obtained;

(D) Searches. Deliver to CoBank, no later than 30 days after the Closing (or such later date as CoBank may in its sole discretion agree to in writing) such search results for UCC, pending suit and judgment, fixture and federal and state tax liens for the Sellers and such evidence of release of related liens or termination of UCC financing statements as the Borrower shall have reasonably determined to be appropriate in connection with the consummation of the Acquisition;

(E) Discharge of Indebtedness. Deliver to CoBank, at or before the Closing (or such later date as CoBank may in its sole discretion agree to in writing), evidence satisfactory to CoBank of the repayment of all existing indebtedness and obligations of either Seller secured by the assets subject to the Acquisition, and the release of all related liens; and

(F) Opinions of Counsel. Deliver to CoBank, at or before the Closing (or such later date as CoBank may in its sole discretion agree to in writing), opinions of counsel to Sellers relating to the Acquisition, identifying CoBank as an addressee and a party entitled to rely thereon.

[Signatures commence on following page.]

IN WITNESS WHEREOF, the parties have caused this Fourth Supplement to be executed by their duly authorized officers as of the date first shown above.

**SHENANDOAH TELECOMMUNICATIONS
COMPANY**

By: _____
Christopher E. French
President

[Signatures continue on next page.]

[Signatures continue from previous page.]

CoBANK, ACB

By: _____
Gloria S. Hancock
Vice President

CLOSING CERTIFICATE -- LOAN NO. ML0743-T4

THIS CLOSING CERTIFICATE is given by Christopher E. French, President of **SHENANDOAH TELECOMMUNICATIONS COMPANY** (the "**Borrower**"), pursuant to Section 5(C) of that certain Second Amended and Restated Master Loan Agreement, dated as of November 30, 2004 (as amended, restated, supplemented or otherwise modified, the "**MLA**"), and pursuant to Section 10(D) of that certain Fourth Supplement to the Master Loan Agreement, dated as of dated as of October 22, 2008 (the "**Fourth Supplement**"), each between CoBank, ACB ("**CoBank**") and the Borrower. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the MLA and in the Fourth Supplement.

The undersigned hereby certifies, in his capacity as President of the Borrower, and not in his individual capacity, as follows:

1. I am the President of the Borrower and as such possess the knowledge and authority to certify to the matters herein set forth, and the matters herein set forth are true and accurate to the best of my present knowledge, information and belief after due inquiry;
2. Since December 31, 2007, no event has occurred which has had or could have a Material Adverse Effect;
3. All representations and warranties of each of the Borrower and its subsidiaries contained in the Loan Documents to which it is a party are true and correct in all material respects on and as of the date hereof (except to the extent that such representations relate to a specified earlier date, in which case such representations and warranties are true and correct in all material respects as of such specified earlier date);
4. No Potential Default or Event of Default exists as of the date hereof or will result from the making of the initial advance with respect to which this Certificate is delivered; and
5. Each of the conditions specified in Section 5 of the MLA and in Section 10 of the Fourth Supplement required to be satisfied on or prior to the date of the making of the initial advance under the Loan has been fulfilled as of the date hereof.

IN WITNESS WHEREOF, I have executed this Closing Certificate as of October 22, 2008.

SHENANDOAH TELECOMMUNICATIONS COMPANY

President,
Shenandoah Telecommunications Company

NEWS RELEASE

For further information, please contact Adele Skolits at 540-984-5161.

**SHENANDOAH TELECOMMUNICATIONS COMPANY ANNOUNCES
INCREASED DIVIDEND, EXPANDS DEBT FACILITY, AND REPORTS
CONTINUED PCS SUBSCRIBER GROWTH**

EDINBURG, VA, (October 22, 2008) – The Board of Directors of Shenandoah Telecommunications Company (Shentel; NASDAQ: SHEN) declared a cash dividend of \$0.30 per share. The dividend is an increase of \$0.03 per share or 11% over the 2007 dividend. The dividend will be payable December 1, 2008, to shareholders of record on November 12, 2008. The total payout to shareholders will be approximately \$7.1 million.

The Company recently closed on \$52 million of additional debt financing in the form of a Delayed Draw Term Loan from CoBank. The debt provides funding for the recently announced acquisition of cable customers and assets from Rapid Communications, LLC, improvements to the acquired network in order to offer a triple play service, and for the improvements in its PCS network. President and CEO, Christopher E. French commented, “This credit facility supports our plans for continued growth through acquisitions like the cable business and expanded service offerings in PCS. The financial strength of our company and its growth prospects allowed us to close on this financing, on favorable terms, despite the constraints of the current credit markets.”

The Company added 5,380 Sprint Nextel retail wireless customers in the third quarter bringing total customers to 205,777, a 9.9% year-to-date increase. Churn for the third quarter and year-to-date was 1.85%.

About Shenandoah Telecommunications

Shenandoah Telecommunications Company is a holding company that provides a broad range of telecommunications services through its operating subsidiaries. The Company is traded on the NASDAQ Global Select Market under the symbol “SHEN.” The Company’s operating subsidiaries provide local and long distance telephone, Internet and data services, cable television, wireless voice and data services, alarm monitoring, and telecommunications equipment, along with many other associated solutions in the Mid-Atlantic and Southeastern United States.

About CoBank

CoBank provides financing to rural cooperatives and critical lifeline businesses – food, water, electricity and communications – across the United States. Part of the \$208-billion U.S. Farm Credit System, the bank also finances agricultural exports. In addition to the national office in Denver, CoBank has offices across the United States and one international representative office in Singapore. For more information about CoBank, visit the bank’s web site at www.cobank.com.