

**PRESBYTERY OF TRANSYLVANIA
LEXINGTON, KENTUCKY**

FLEXIBLE BENEFIT PLAN

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**PRESBYTERY OF TRANSYLVANIA
LEXINGTON, KENTUCKY
FLEXIBLE BENEFIT PLAN**

This Flexible Benefit Plan is declared this 1st day of January, 2002 by THE PRESBYTERY OF TRANSYLVANIA, a Kentucky employer with its office and principal place of business in Lexington, Kentucky ("Employer").

W I T N E S S E T H:

The Employer, effective January 1, 2002, hereby adopts and establishes this Flexible Benefit Plan for the exclusive benefit of its employees who shall participate in the Plan. This Plan document is adopted by the Employer for the purpose of assuring that the Plan is in compliance with applicable federal and state laws, including regulations promulgated thereunder, and is a "cafeteria plan" under Section 125 of the Internal Revenue Code.

ARTICLE 1
INTRODUCTION

1.01 Purpose of Flexible Benefit Plan. The purpose of this Plan is to provide Eligible Employees of the Employer the opportunity to participate in the benefit structures offered under this Plan. The availability of Benefits will not discriminate in favor of Highly Compensated Employees and actual Benefits paid to Key Employees will not exceed 25% of the aggregate of such Benefits provided to all Employees for a Plan Year.

1.02 Cafeteria Plan Status. This Flexible Benefit Plan is intended to qualify as a "cafeteria plan" under Section 125 of the Internal Revenue Code of 1986. The Employer maintains the right to adjust any Salary Reduction Agreement made under this Plan by a Participant who is a Highly Compensated Employee and, if necessary, to adjust any such Participant's Accounts to ensure that the Plan complies with the nondiscrimination requirements of Code Sections 105(h) and 125.

ARTICLE 2

DEFINITIONS

2.01 Administrator. The Employer, or such other person or entity as may be appointed from time to time by it to supervise the administration of the Flexible Benefit Plan.

2.02 Benefits. All employee benefits provided under the Plan.

2.03 Code. Internal Revenue Code of 1986, as amended from time to time.

2.04 Component Plans. The benefit plans provided herein including the Medical Expense Reimbursement Plan provided in Article 6 hereof, and the Dependent Care Reimbursement Plan provided in Article 7 hereof.

2.05 Contributions. All Participant Contributions.

2.06 Coverage Expenses. Any costs for the Benefit coverage of a Participant or Dependent.

2.07 Dependent.

(a) Medical Expense Reimbursement Plan. For purposes of the Medical Expense Reimbursement Plan, the term Dependent shall mean the Participant's spouse and the Participant's dependent(s) as defined in Section 152 of the Code. Any child to whom Section 152(e) applies shall be treated as a Dependent of both parents.

(b) Dependent Care Reimbursement Plan. For purposes of the Dependent Care Reimbursement Plan, the term Dependent shall mean a dependent, as defined in Section 152 of the Code, of an Employee who is (i) under the age of 13 and with respect to whom the Employee is entitled to a deduction under Section 151(c) of the Code, (ii) a dependent of the Employee who is physically or mentally incapable of caring for himself or herself, or (iii) the spouse of an Employee, if such spouse is physically or mentally incapable of caring for himself or herself.

2.08 Dependent Care Reimbursement Account. The Account described in Section 7.03 hereof.

2.09 Dependent Care Reimbursement Plan. The Dependent Care Reimbursement Plan, as provided in Article 7 hereof.

2.10 Dependent Care Expenses. Employment-related expenses incurred by a Participant which (a) are incurred for the care of a Dependent of the Participant or for related household services, (b) are paid or payable to a Dependent Care Service Provider, and (c) are incurred to enable the Participant to be gainfully employed for any period for which there are one (1) or more Dependents with respect to the Participant. Dependent Care Expenses shall not include expenses incurred for services outside the Participant's household for the care of a Dependent unless such Dependent is a Dependent of the Participant who is under the age of 13 and with respect to whom the Participant is entitled to a deduction under Section 151(c) of the Code, or a Dependent not described in Section 2.07(b) hereof who regularly spends at least eight hours each day in the Participant's household. Dependent Care Expenses shall be deemed to be incurred at the time the services to which the expenses relate are rendered. Dependent Care Expenses which are incurred for services outside the Participant's household by a dependent care center shall only be taken into account if the conditions set forth in Code Section 21(b)(2)(C) are satisfied.

2.11 Dependent Care Service Provider. A person who provides care or other services described in Section 2.10, but shall not include (a) a dependent care center (as defined in section 21(b)(2)(D) of the Code), unless the requirements of Code Section 21(b)(2)(C) are satisfied, or (b) an individual (1) with respect to whom, for such taxable year, a deduction is allowed under Section 151(c) of the Code to the Participant or the Participant's spouse, or (2) who is a child of the Participant (within the meaning of Section 151(c)(3) of the Code) under the age of 19 at the close of such Plan Year.

2.12 Effective Date. The Effective Date is January 1, 2002.

2.13 Eligible Employee. An Employee eligible for participation in the Plan as required pursuant to Article 3 hereof.

2.14 Employee. Any person employed by the Employer; provided, this shall not include any temporary agency worker, contract laborer or person who is working as an independent contractor or who is

considered by the Company to be an independent contractor even if such person is subsequently determined to be a common law employee.

2.15 Employer. The Presbytery of Transylvania of Lexington, Kentucky.

2.16 ERISA. The Employee Retirement Insurance Security Act of 1974, as it has been and may be amended from time to time. Reference to any section of ERISA shall include any provisions successive thereto.

2.17 Flexible Benefit Plan. The Plan provided for herein.

2.18 Highly Compensated Employee. Any Employee who is a Highly Compensated Employee as defined in Section 414(q) of the Code, or an Employee who is otherwise treated as a highly compensated employee under Section 125 or Section 105(h) of the Code.

2.19 Key Employee. Any individual who is a key employee as defined in Section 416(i)(1) of the Code.

2.20 Medical Expense Reimbursement Account. That Account maintained for each Participant pursuant to Article 6 hereof reflecting debits and credits to or for the benefit of a Participant under the Medical Expense Reimbursement Plan.

2.21 Medical Expense Reimbursement Plan. The Employer=s Medical Expense Reimbursement Plan as provided in Article 6 hereof.

2.22 Nonhighly Compensated Employee. An Employee who is not a Highly Compensated Employee.

2.23 Participant. An Eligible Employee who becomes a Participant as provided in Article 3 hereof. The term shall also include, where appropriate, a former Participant who terminated service with the Employer and is entitled to a benefit hereunder.

2.24 Participant Contributions. Those contributions permitted or required (if any) to be made to the Plan by a Participant pursuant to Section 4.01 of the Plan.

2.25 Participant Reimbursement Contributions. Those contributions permitted to be made to the Plan by a Participant pursuant to Section 4.02 of the Plan for the purpose of providing Dependent Care Reimbursement Benefits or Medical Expense Reimbursement Benefits to the Participant.

2.26 Plan. The Presbytery of Transylvania Flexible Benefit Plan provided for herein, as it may be amended from time to time.

2.27 Plan Year. The consecutive 12 month period beginning on January 1 of each year and ending on the immediately following December 31.

2.28 Qualifying Medical Care Expense. An expense incurred by a Participant, or by the spouse or Dependent of such Participant for medical care as defined in Section 213 of the Code (including without limitation amounts paid for hospital bills, doctor and dental bills, drugs and premiums for accident and health insurance), but only to the extent that the Participant or other person incurring the expense is not reimbursed for the expense through insurance or otherwise. A Qualifying Medical Care Expense shall not include an expense incurred for qualified long-term care services, as defined in Section 7702B(c) of the Code.

2.29 Salary Reduction Agreement. The Agreement between a Participant and the Employer specifying the amount of compensation to be applied to purchase benefits under this Plan.

ARTICLE 3

ELIGIBILITY, PARTICIPATION AND ENROLLMENT

3.01 Date Employees Become Eligible for Participation.

(a) Employees Eligible. All Employees are eligible for participation in each Component Plan.

(b) Commencement of Participation. Each Employee shall be notified when he or she becomes eligible for participation in the Plan, at which time he or she shall be furnished with an enrollment form. An Employee shall become a Participant with respect to each Component Plan upon meeting the conditions of eligibility, making the contributions required hereunder, returning the necessary documentation to the Administrator and meeting such other conditions of eligibility or satisfying such requirements as may be imposed under any Component Plan.

3.02 Termination of Participation. A Participant shall discontinue participation in this Plan or any Component Plan upon termination of employment (unless continuation of coverage is required under COBRA) or upon failure to make the required contributions hereunder or upon disenrolling in the Plan.

3.03 Enrollment. Each Participant shall be provided an enrollment form to be completed for Plan enrollment. Any enrollment form submitted by a Participant in accordance with this Section shall remain in effect until the earlier of either (i) the date the Participant terminates participation in the Plan, or (ii) the effective date of a subsequently filed election or enrollment form submitted hereunder.

3.04 Enrollment Periods.

(a) Initial Enrollment Period. Each Eligible Employee who is actively employed prior to the Plan's original Effective Date shall have an initial enrollment period which shall be completed prior to such Effective Date. Each Eligible Employee who commences, or recommences employment as an Eligible Employee on or after the Effective Date shall have an initial enrollment period which shall begin on the first day of the Employee's completion of the eligibility conditions of any Component Plan and shall terminate thirty (30) days thereafter.

(b) Regular Enrollment. In addition to the initial enrollment period, the Company shall provide for an enrollment period during each Plan Year commencing on the first day of December of each year and terminating on the last day of December of such year. Enrollment modifications shall then be effective for the following Plan Year.

(c) Special Enrollment. An eligible Participant outside the regular enrollment period may alter the election of Benefits made during the immediately preceding regular enrollment period, but only to the extent permitted under, and in accordance with, Section 3.05 hereof.

3.05 Limitation on Enrollment Elections. A Participant's right to elect certain benefit coverage shall be limited hereunder to the extent such rights are limited in the respective Component Plans. Furthermore, a Participant may revoke an election during a period of coverage and make a new election, or make an election change, as provided in subparagraphs Aa@ through Ac@ of this paragraph.

(a) Changes in Status. A Participant may revoke an election during a period of coverage and make a new election for the remaining portion of the period if, under the facts and circumstances, a change in status described in sub-paragraph (i) occurs and the election change satisfies the consistency rule set forth in sub-paragraph (ii) of this subparagraph (a).

(i) Change in Status Events. The following events are changes in status for purposes of this paragraph (b):

(A) Legal Marital Status. Events that change a Participant=s legal marital status, including the following: marriage; death of spouse; divorce; legal separation; and annulment.

(B) Number of Dependents. Events that change a participant=s number of Dependents, including the following: births; deaths; adoption; and placement for adoption.

(C) Employment Status. Any of the following events that change the employment status of the Participant, the Participant=s spouse or the Participant=s dependent: a termination

or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; and a change in work site.

(D) Dependent Satisfies or Ceases to Satisfy Eligibility Requirements.

Events that cause a Participant=s Dependent to satisfy or cease to satisfy eligibility requirements for coverage on account of attainment of age, student status, or any similar circumstance.

(E) Residence. A change in the place of residence of the Participant, spouse or Dependent.

(ii) Consistency Rule. Any election change must be on account of and correspond with a change in status that affects eligibility for coverage under one or more of the Component Plans. Provided, however, if the Participant, spouse or Dependent becomes eligible for continuation coverage under the Medical Insurance Plan as provided in Section 4980B of the Code or any similar state law, the Participant shall be permitted to elect to increase payments hereunder in order to pay for the continuation coverage.

(b) Termination of Employment. A Participant who terminates employment during a period of coverage and resumes employment within thirty days and during the same period of coverage, without any other intervening event that would permit a change in election, shall be subject to the election in effect prior to termination of employment.

(c) Change in Coverage Under Other Plan. A Participant may make a prospective election change that is on account of and corresponds with a change made under a cafeteria plan or qualified benefits plan of the spouse=s, former spouse=s or Dependent=s employer if (A) such plan permits participants to make an election change that would be permitted under this Section 3.05, or (B) the period of coverage for which Participants make an election under this Plan is different from the period of coverage under the cafeteria plan or qualified benefits plan of the spouse=s, former spouse=s or Dependent=s employer.

ARTICLE 4
CONTRIBUTIONS

4.01 Participant Reimbursement Contributions. For any Plan Year, each Participant may elect to have contributed to the Participant's Accounts a specified amount of the Participant's compensation for each Plan Year up to a combined maximum provided for each Component Plan, to be used to fund reimbursement benefits under the Medical Expense Reimbursement Plan and the Dependent Care Reimbursement Plan.

4.02 Payroll Deduction. A Participant's compensation shall be reduced by the amount of the Contributions which the Participant elects for such Plan Year under Section 4.01 hereof. Contributions shall be made by payroll withholding which shall be made during the Participant's applicable period of coverage. If the Participant has not elected Contributions under 4.01, the Participant's compensation will not be reduced, so that the Participant will receive taxable cash instead of making the Contributions.

ARTICLE 5

BENEFITS

5.01 Benefits Available. Participants may elect one or more of the following benefits:

(a) Dependent Care Reimbursement Benefits, funded entirely by Participant Contributions, to the extent elected by the Participant (subject to the limitation contained herein); and/or

(b) Medical Expense Reimbursement Benefits, funded entirely by Participant Contributions, to the extent elected by the Participant (subject to the limitation contained herein).

5.02 Medical Expense Reimbursement Benefits. The Employer hereby adopts a Medical Expense Reimbursement Plan subject to the terms and conditions set forth in Article 6 hereof, designed to qualify as a nontaxable employee benefit under Sections 125 and 105(b) of the Code. Participants may elect benefits under the Medical Expense Reimbursement Plan subject to all the requirements and restrictions contained therein.

5.03 Dependent Care Reimbursement Benefits. The Employer hereby adopts a Dependent Care Reimbursement Plan set forth in Article 7 hereof designed to qualify as a nontaxable employee benefit under Section 129(a) of the Code and Section 125 of the Code. Participants may elect benefits under the Dependent Care Reimbursement Plan subject to all of the requirements and restrictions contained therein.

ARTICLE 6

MEDICAL EXPENSE REIMBURSEMENT PLAN

6.01. Election Procedure. A Participant may elect to receive payments or reimbursements of his or her Qualifying Medical Care Expenses under this Plan by filing an election and Salary Reduction Agreement in accordance with the procedures established in Article 3. An election to receive payments or reimbursements of Qualifying Medical Care Expenses shall be irrevocable during the Plan Year, except as otherwise provided in Section 3.05 hereof.

6.02 Minimum and Maximum Reimbursements. The minimum amount which the Participant may receive under this Plan in the form of payments or reimbursements for Qualifying Medical Care Expenses incurred in any Plan Year shall be Two Hundred Fifty Dollars (\$250) annually. The maximum amount shall be Five Thousand Dollars (\$5,000) annually.

6.03 Establishment of Accounts. The Employer will establish and maintain on its books a Medical Expense Reimbursement Account for each Plan Year with respect to each Participant who has elected to receive reimbursement of Qualifying Medical Care Expenses incurred during the Plan Year.

6.04 Crediting of Accounts. There shall be credited to a Participant's Medical Expense Reimbursement Account for each Plan Year, as of each date compensation is paid to the Participant in such Plan Year, an amount equal to the reduction, if any, to be made in such compensation in accordance with the Participant's Salary Reduction Agreement. All amounts credited to each such Medical Expense Reimbursement Account shall be the property of the Employer until distributed pursuant to Section 6.08.

6.05 Debiting of Accounts. A Participant's Medical Expense Reimbursement Account for each Plan Year shall be debited from time to time in the amount of any payment under Section 6.08 to or for the benefit of the Participant for Qualifying Medical Care Expenses incurred during such Plan Year.

6.06 Forfeiture of Accounts. The amount credited to a Participant's Medical Expense Reimbursement Account for any Plan Year shall be used only to reimburse the Participant for Qualifying

Medical Care Expenses incurred during such Plan Year, and only if the Participant applies for reimbursement on or before the March 31 following the close of the Plan Year. If any balance remains in the Participant's Medical Expense Reimbursement Account for a Plan Year after all reimbursements hereunder, such balance shall not be carried over to reimburse the Participant for Qualifying Medical Care Expenses incurred during a subsequent Plan Year, and shall not be available to the Participant in any other form or manner, but shall remain the property of the Employer, and the Participant shall forfeit all rights with respect to such balance.

6.07 Claims for Reimbursement. A Participant who has elected to receive Medical Expense Reimbursements for a Plan Year may apply to the Employer for reimbursement of Qualifying Medical Care Expenses incurred by the Participant during the Plan Year by submitting an application in writing to the Employer, in such form as the Employer may prescribe, setting forth:

- (a) the amount, date and nature of the expense with respect to which a benefit is requested;
- (b) the name of the person, organization or entity to which the expense was or is to be paid;
- (c) the name of the person for whom the expense was incurred and, if such person is not the Participant requesting the benefit, the relationship of such person to the Participant; and
- (d) the reimbursement amount being requested is for expenses which have not and will not be paid by any insurance plan.

Such application shall be accompanied by bills, invoices, receipts, cancelled checks or other statements showing the amounts of such expenses, together with any additional documentation which the Administrator may request.

6.08 Reimbursement or Payment of Expenses. The Employer shall reimburse the Participant from the Participant's Medical Expense Reimbursement Account for Qualifying Medical Care Expenses incurred during the Plan Year, for which the Participant submits a written application and documentation in accordance with Section 6.07. The Employer may, at its option, pay any such Qualifying Medical Care

Expenses directly to the person providing or supplying medical care in lieu of reimbursing the Participant. No reimbursement or payment under this Section 6.08 of expenses incurred during a Plan Year shall at any time exceed the amount allocated to the Participant's Medical Expense Reimbursement Account pursuant to the Participant's Salary Reduction Agreement for the applicable Plan Year in accordance with Section 6.04 hereof.

6.09 Termination of Participation. In the event that a Participant ceases to be a Participant for any reason, any election to receive reimbursements for Qualifying Medical Care Expenses and any related Salary Reduction Agreement shall terminate subject, however, to the continuation of coverage requirements of Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985 (ACOBRA®). If the Participant is not entitled to continuation of coverage COBRA, the Participant (or his/her estate) shall be entitled to reimbursement only for Qualifying Medical Care Expenses incurred up to the date participation is terminated, and only if the Participant (or his estate) applies for such reimbursement in accordance with Section 6.07 on or before the earlier of (1) the 180th day following the date participation is terminated, or (2) the March 31 following the close of the Plan Year. No such reimbursement shall exceed an amount which shall cause the amount reimbursed to a Participant for a Plan Year to exceed the amount that shall be allocated to the Participant's Medical Expense Reimbursement Account pursuant to the Participant's Salary Reduction Agreement for the applicable Plan Year in accordance with Section 6.04 hereof.

ARTICLE 7

DEPENDENT CARE REIMBURSEMENT PLAN

7.01 Election Procedure. A Participant may elect to receive Dependent Care Reimbursement Benefits under this Plan by filing an election and Salary Reduction Agreement in accordance with the procedures established under Article 3. An election to receive Dependent Care Reimbursement Benefits shall be irrevocable during the Plan Year, unless there are events which cause a Participant's Dependent to satisfy or cease to satisfy eligibility requirements for coverage on account of attainment of age or other circumstance.

7.02 Minimum and Maximum Dependent Care Assistance. The minimum amount which the Participant may receive in any Plan Year in the form of Dependent Care Reimbursement Benefits under this Plan shall be Five Hundred Dollars (\$500). The maximum amount which the Participant may receive in any Plan Year in the form of Dependent Care Reimbursement Benefits under this Plan shall be the least of (a) the Participant's earned income (as defined in Section 32(c)(20) of the Code for the Plan Year (after all reductions in compensation including the reduction related to Dependent Care Assistance), (b) the actual or deemed earned income of the Participant's spouse for the Plan Year, or (c) \$5,000.00 (\$2,500.00 if married filing a separate return), per Plan Year. In the case of a spouse who is a full-time student at an educational institution or is physically or mentally incapable of caring for himself, such spouse shall be deemed to have earned income of not less than \$200 per month if the Participant has one Dependent and \$400 per month if the Participant has two or more Dependents.

7.03 Establishment of Accounts. The Employer will establish and maintain on its books a Dependent Care Reimbursement Account for each Plan Year with respect to each Participant who has elected to receive Dependent Care Reimbursement Benefits for the Plan Year.

7.04 Crediting of Accounts. There shall be credited to a Participant's Dependent Care Reimbursement Account for each Plan Year, as of each date compensation is paid to the Participant in such Plan Year, an amount equal to the reduction, if any, to be made in such compensation in accordance with the

Participant's Salary Reduction Agreement. All amounts credited to each such Dependent Care Reimbursement Account shall be the property of the Employer until paid out pursuant to Section 8.08.

7.05 Debiting of Accounts. A Participant's Dependent Care Reimbursement Account during each Plan Year shall be debited in the amount of any payment under Section 7.08 to or for the benefit of the Participant for Dependent Care Expenses incurred during such Plan Year.

7.06 Forfeiture of Accounts. The amount credited to a Participant's Dependent Care Reimbursement Account for any Plan Year shall be used only to reimburse the Participant for Dependent Care Expenses incurred during such Plan Year, and only if the Participant applies for reimbursement on or before the March 31 following the close of the Plan Year. If any balance remains in the Participant's Dependent Care Reimbursement Account for any Plan Year after all reimbursements hereunder, such balance shall not be carried over to reimburse the Participant for Dependent Care Expenses incurred during a subsequent Plan Year, and shall not be available to the Participant in any other form or manner, but shall remain the property of the Employer, and the Participant shall forfeit all rights with respect to such balance.

7.07 Claims for Reimbursement. A Participant who has elected to receive Dependent Care Reimbursement for a Plan Year may apply to the Employer for reimbursement of Dependent Care Expenses incurred by the Participant during the Plan Year by submitting an application in writing to the Employer, in such form as the Employer may prescribe, setting forth:

- (a) the amount, date and nature of the expense with respect to which a benefit is requested;
- (b) the name and tax identification number of the person, organization or entity to which the expense was or is to be paid; and
- (c) such other information as the Employer may from time to time require.

Such application shall be accompanied by bills, invoices, receipts, cancelled checks or other statements showing the amounts of such expenses, together with any additional documentation which the Employer may request.

7.08 Reimbursement or Payment of Expenses. The Employer shall reimburse the Participant from the Participant's Dependent Care Reimbursement Account for Dependent Care Expenses incurred during the Plan Year for which the Participant submits documentation in accordance with Section 7.07. The Employer may, at its option, pay any such Dependent Care Expenses directly to the Dependent Care Service Provider in lieu of reimbursing the Participant. No reimbursement or payment under this Section 7.08 of expenses incurred during a Plan Year shall at any time exceed the balance of the Participant's Dependent Care Reimbursement Account for the Plan Year at the time of the reimbursement or payment. The amount of any Dependent Care Expenses not reimbursed or paid as a result of the preceding sentence shall be carried over, but not beyond the end of the Plan Year, and reimbursed or paid only if and when the balance in such Account permits such reimbursement or payment.

7.09 Report to Participants on or Before January 31 of Each Year. On or before January 31 of each year, the Administrator shall furnish to each Participant who has received Dependent Care Reimbursement during the prior calendar year a report on the Participant's Form W-2 showing the amount of such assistance paid during such Year with respect to the Participant.

7.10 Termination of Participation. In the event that a Participant ceases to be a Participant in this Plan for any reason, any election to receive reimbursements for Dependent Care Expenses and the Salary Reduction Agreement shall terminate. The Participant (or his estate) shall be entitled to reimbursement only for Dependent Care Expenses incurred within the same Plan Year and prior to the 90th day after the date participation is terminated, and only if the Participant (or his estate) applies for such reimbursement in accordance with Section 7.07 on or before the earlier of (1) the 180th day following the date participation is terminated, or (2) the March 31 following the close of the Plan Year. No such reimbursement shall exceed the remaining balance, if any, in the Participant's Dependent Care Reimbursement Account for the Plan Year in which the expenses were incurred.

ARTICLE 8

PLAN ADMINISTRATION

8.01 Plan Administrator. The administration of the Plan shall be under the supervision of the Plan Administrator. It shall be a principal duty of the Plan Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them. The Plan Administrator shall have the power and authority in its sole, absolute, and uncontrolled discretion to control and manage the operation and administration of the Plan and shall have all powers necessary to accomplish these purposes. The responsibility and authority of the Plan Administrator shall include, but not be limited to, the following:

(a) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan, including the establishment of any claims procedures that may be required by applicable provisions of law;

(b) To interpret the Plan, its interpretation thereof in good faith to be final and conclusive on all persons claiming benefits under the Plan;

(c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;

(d) To appoint such agents, counsel, accountants, consultants and other persons as may be require to assist in administering the Plan; and

(e) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocation, delegation or designation to be by written instrument and in accordance with applicable requirements of law.

8.02 Examination of Records. The Administrator will make available to each Participant such of its records under the Plan as pertain to him, for examination at reasonable times during normal business hours.

8.03 Reliance on Tables, etc. In administering the Plan, the Administrator will be entitled (to the extent permitted by law) to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by accountants, counsel or other experts employed or engaged by the Administrator.

8.04 Indemnification of Administrator. The Employer agrees to indemnify and to defend to the fullest extent permitted by law, any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who formerly served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorneys' fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE 9

BENEFITS CLAIMS PROCEDURE

9.01 Claims for Benefits. In the event that a claim to all or any part of any Benefit under this Plan is denied, the Administrator shall provide to the claimant, within 90 days (or such additional period required by special circumstances, but not to exceed an additional 90 days, provided, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension) after receipt of such claim, a written notice setting forth, in a manner calculated to be understood by the claimant.

- (a) The specific reason or reasons for the denial;
- (b) Specific references to the pertinent Plan provisions on which the denial is based;
- (c) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such material or information is necessary; and
- (d) An explanation of the Plan's procedure for review of the denial of a claim.

9.02 Review of Denial of Claims. Within 60 days after receipt of the above material, the claimant may appeal the claim denial to the Administrator for a full and fair review. Within such 60 days, the claimant or his duly authorized representative:

- (a) May request a review upon written notice to the Administrator;
- (b) May review pertinent documents; and
- (c) May submit issues and comments in writing.

9.03 Decision on Review of Denial. A decision by the Administrator will be made not later than 60 days (or such additional period required by special circumstances, but not to exceed an additional 60 days, provided, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension) after receipt of a request for review. The decision of the Administrator on review shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

9.04 Component Plans Controlling. The terms and conditions contained in any Component Plan with respect to claims filing procedures and the review of denial of claims, including the terms and conditions of any insurance policies, service contracts or other arrangements which are incorporated as a provision in such Component Plan, shall supersede the provisions contained in this Article 9, and the Administrator's authority and duties under this Article 9 shall not be applicable with respect to a claim for a benefit under such Component Plan to the extent that the responsibility for determining the right of any person to a benefit thereunder is delegated by the Component Plan to another party.

ARTICLE 10

AMENDMENT OR TERMINATION OF PLAN

10.01 Amendment of Plan. The Employer reserves the power at any time or times to amend the provisions of the Plan to any extent and in any manner that it may deem advisable, by a written instrument signed by the President of the Employer.

10.02 Termination of Plan. The Employer has established the Plan with a bona fide intention and expectation that it will be continued indefinitely, but the Employer will have no obligation whatsoever to maintain the Plan for any given length of time and may discontinue or terminate the Plan at any time without liability. Upon termination or discontinuance of the Plan, all elections and reductions in compensation relating to the Plan shall terminate, and reimbursements shall be made only in accordance with the Component Plan.

ARTICLE 11

MISCELLANEOUS

11.01 Communication to Employees. Promptly after the Plan is adopted, the Employer will notify all Employees of the availability and terms of the Plan.

11.02 Limitation of Rights. Neither the establishment of the Plan nor any amendment thereof will be construed as giving to any Participant or other person any legal or equitable right against the Administrator or the Employer, except as expressly provided herein, and in no event will the terms of employment or service of any Participant be modified or in any way be affected hereby.

11.03 Benefits Solely from General Assets. The benefits provided hereunder will be paid solely from the general assets of the Employer. Nothing herein will be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.04 Nonassignability of Rights. The right of any Participant to receive any reimbursement or other Benefits or assert any cause of action under the Plan shall not be alienable by the Participant by assignment or any other method, and will not be subject to being taken by his creditors by any process whatsoever, and any attempt to cause such right to be so subjected will not be recognized, except to such extent as may be required by law.

11.05 No Guarantee of Tax Consequences. Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant.

11.06 Indemnification of Company by Participants. If any Participant receives one or more payments or reimbursements under the Plan that are not for Benefits under one or more of the Component

Plans, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax, unemployment tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any unemployment or Social Security tax that would have been paid on such compensation, less any such additional income, unemployment and Social Security actually paid by the Participant.

11.07 Governing Law. The Plan shall be construed, administered and enforced according to the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Employer has caused this Plan to be executed in its name and on its behalf by its officers thereunto duly authorized as of the day, month and year first above written.

PRESBYTERY OF TRANSYLVANIA

By: _____

Title: _____