

## FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This is a First Amendment to an Employment Agreement ("First Amendment") between Eli I. Capilouto, D.M.D., Sc.D., M.P.H. ("Dr. Capilouto" or the "President") and the University of Kentucky (the "University"), effective DECEMBER 17, 2013.

### WITNESSETH

WHEREAS, the President and the University entered into an Employment Agreement (the "Agreement") effective July 1, 2011;

WHEREAS, the University wishes to amend the Agreement in certain respects as set forth in this First Amendment;

WHEREAS, this First Amendment has been duly approved and its execution has been duly authorized by the Board of Trustees of the University (the "Board"); and

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A. **Term.** The term of the President as set forth in Section A of the Agreement shall be amended to June 30, 2018.

B. **Renewal/Extension.** The dates of April 1, 2015, June 30, 2015, and June 30, 2016 as set forth in Section B of the Agreement shall each be amended to April 1, 2017, June 30, 2017 and June 30, 2018.

C. **Section I of the Agreement shall be amended by the addition of the following:**

6. Section 457(f) Deferred Compensation Plan ("457(f) Plan").

(a) The University shall offer the President a Deferred Compensation Agreement for participation in the University's 457(f) Plan. The Deferred Compensation Agreement shall provide that the University credit the President's Deferred Compensation Account under the 457(f) Plan ("457(f) Account") in the amount of \$120,000 no later than December 31, 2013, and thereafter credit an equal amount annually by July 1 in year 2014, 2015, 2016 and 2017.

(b) In accordance with the University's 457(f) Plan and the Deferred Compensation Agreement, if this Agreement is effectively terminated prior to June 30, 2018 (i) by the Board with or without Cause or (ii) by the resignation of the President, then and in that event the President shall forfeit any entitlement to amounts credited to his 457(f) Account.

(c) In the event this Agreement is terminated pursuant to Section I. 4 or Section I. 5, the President, his estate or his designated beneficiary shall be entitled to receive the amount then credited to his 457(f) Account, in accordance with the terms of the 457(f) Plan, together with the remaining annual payments, if any.

(d) Payments due under the 457(f) Plan to the President, his estate or his designated beneficiary, as the case may be, shall be paid, in accordance with the terms of the 457(f) Plan, but in no event no later than ninety (90) days after the termination or expiration of the term of the Agreement and shall be in addition to and not to the exclusion of any entitlement the President, his estate or his designated beneficiary may have under the Agreement or under the University's LTD plan or the University's benefits plans.


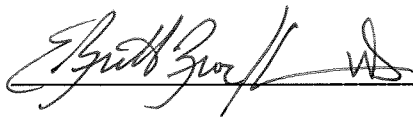
D. The University may make such addendum to its Supplemental § 415(m) Arrangement and Supplemental § 403(b) Plan for the years 2016-17 and 2017-18 as may be appropriate and necessary.

E. All other terms and conditions of the Agreement not expressly amended herein remain in full force and effect and are hereby ratified and reaffirmed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date shown below.

UNIVERSITY OF KENTUCKY

ELI I. CAPILOUTO, D.M.D., Sc.D., M.P.H.

  
Eli I. Capilouto, President

Dated: 12-17-2013

Dated: 12-17-2013

## EXHIBIT A-1

### UNIVERSITY OF KENTUCKY


#### SECTION 457(f) DEFERRED COMPENSATION AGREEMENT


BY THIS AGREEMENT, made between **Eli I. Capilouto, D.M.D., Sc.D., M.P.H.** ("Participant") and the **University of Kentucky** (the "Institution"), the parties agree as follows:

- 1) Pursuant to the Institution's Section 457(f) Deferred Compensation Plan (the "Plan"), a copy of which is attached as a part hereof, the Participant will participate in the Plan, pursuant to the terms thereof, and the Institution agrees to assume all obligations with respect to such participation as set forth in the Plan. Such participation shall commence on DECEMBER 17, 2013, and shall continue as long as the Participant remains an employee of the Institution or until this Agreement is modified or terminated as provided in the Plan. This Agreement and the Plan shall in no way create any employment rights to tenure, or otherwise affect the Participant's employment status, all of which shall remain the same as if this Agreement and the Plan had not been adopted.
- 2) ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00) initially shall be credited by the Institution to the Participant's Deferred Compensation Account by December 31, 2013. An additional ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00) shall be credited by the Institution to the Participant's Deferred Compensation Account by July 1<sup>st</sup> of each year beginning in 2014 through 2017. These amounts are in addition to the Participant's normal salary. Such Account will be notionally invested in accordance with the provisions of the Plan among investment funds determined exclusively by the Institution.
- 3) The Participant's right to the deferred compensation account is conditioned upon the Participant's **continued employment with the Institution until June 30, 2018**, unless the Participant's employment with the Institution is terminated due to the death or Disability of the Participant prior to such date. All of Participant's rights to the Deferred Compensation Account will be contingent upon the fulfillment of this condition and, until such time, the Account and/or any assets held in connection with the Plan will remain the property of the Institution, subject to all claims of its creditors. If the Participant terminates employment prior to the date specified in this paragraph for any reason other than death or Disability, then no payment shall be due or payable under the Plan and this Agreement and all amounts credited to the Participant's Deferred Compensation Account will be forfeited.
- 4) In the event of the Participant's death prior to commencement of benefits, amounts due under this Agreement shall be paid to the beneficiary designated by the Participant.

- 5) The terms herein, the first letter of which are capitalized shall have the same meaning as set forth in the Plan.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013:

By:   
Plan Participant

By:   
Authorized Institution Representative  
Chair - UK Board of Trustees  
Name/Title