

# Central Bank

Central Bank & Trust Co.  
P.O. Box 1360  
Lexington, KY 40588-1360  
(859) 253-6222

July 9, 2009

Via U.S. Mail

Bob Arnold  
Executive Director/CEO  
Kentucky Association of Counties  
380 King's Daughters Drive  
Frankfort, Kentucky 40601

Re: Disputed Credit Card Charge – Bob Arnold

Dear Mr. Arnold:

I am the Assistant Vice President of Card Services for Central Bank & Trust Co. Our department processes all credit and debit card disputes received by Central Bank. David L. Turner forwarded to me your letter dated June 29, 2009, so that I could investigate the following disputed charge referenced in your letter:

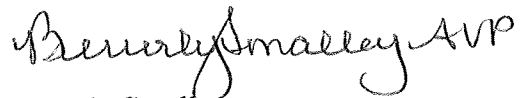
Transaction Description	Amount	Ref. #	Post Date	Trans Date
Calypso Enterprises, LLC 859-333-0009 CA	\$270.00	24765017136010000634506	05-16-07	05-16-07

You have requested that the above charge be removed from the account and that the account be credited in the amount of \$270.00 because the charge was not incurred or authorized by Mr. Bob Arnold. As explained below, we cannot determine whether the charge was authorized. Pursuant to your Corporate Card Agreement, however, you must notify us of any billing errors or unauthorized charges within sixty (60) days after we sent you the bill where the problem appeared. The charge above was incurred over one year ago. Further, if an organization requests that ten (10) or more Cards be issued to it (which is the case with KACo), then the organization is liable for any and all unauthorized use of the Card. Consequently, because the terms of your Agreement prohibit it, we are unable to remove the charge. As I am sure you understand, these provisions are in place to limit the substantial exposure that Central Bank would otherwise face.

According to the transaction history, the one charge for Calypso Enterprises, LLC is coded as a dating/escort service, but the card was not presented to the merchant when the charge was incurred. It would therefore be nearly impossible to determine who actually authorized or incurred the service.

We greatly value your banking relationship and hope that this information is helpful. We regret any unauthorized charge on your Card and would be happy to meet and discuss ways to prevent or minimize such charges in the future. If we can assist you in any other way, please do not hesitate to contact me at 859-253-6271.

Sincerely,

A handwritten signature in cursive script that reads "Beverly Smalley AVP".

Beverly Smalley  
Assistant Vice President  
Card Services Department

cc: David L. Turner