



Kinko's, Inc. ■ Corporate Office
P.O. Box 8000
255 West Stanley Avenue
Ventura, California 93002-8000
TEL (805) 652-4000

U.S. DEPT. OF LABOR
PWBA/PUBLIC DISCLOSURE
98 SEP -9 AM 10:30

September 4, 1998
VIA OVERNIGHT MAIL

252005332225

Top Hat Plan Exemption
Pension and Welfare Benefits
Administration
Room N-5638
U. S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Re: **Kinko's, Inc.**
Pension Plans for Select Group of Employees

Dear Sir or Madam:

In compliance with the requirements of the alternative method of reporting and disclosure under Part I of Title I of the Employee Retirement Income Security Act of 1974, as amended, for unfunded or insurance pension plans for a select group of management or highly compensated employees, specified in Department of Labor regulations, 29 CFR 2520.104.23, the following information is provided by the undersigned employer.

Name and address of employer:

Kinko's, Inc.
World Headquarters
255 West Stanley Avenue
Ventura, CA 93002-8000

Employer Identification Number: 77-0433330

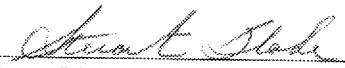
2/25

Kinko's, Inc. maintains two plans primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

Number of Plans: Two (2)

Number of Employees in the Plans: Twenty-Five (25)

KINKO'S, INC.


Stuart Blake, Vice President, General Counsel
and Secretary

Encl.: Kinko's, Inc. Supplemental Retirement Plan (signed document)
Kinko's, Inc. Deferred Compensation Plan (signed document)
I.R.S. Form 5500
Check No. 00043208

37388 US DEPARTMENT OF LABOR CHECK PAYMENT NBR. 43208 DATE 09/01/98

INVOICE	DESCRIPTION	DATE	GROSS AMT.	DISCOUNT	NET AMOUNT	
0008268	9000	08/26/98	2500.00	0.00	2500.00	
	" DFVC PROGRAM "					
TOTALS				2500.00	0.00	2500.00

KINKO'S, INC. DEFERRED COMPENSATION PLAN
EFFECTIVE JANUARY 1, 1998

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I. DEFINITIONS	1
ARTICLE II. PARTICIPATION	3
ARTICLE III. PARTICIPANTS' ACCOUNTS	4
ARTICLE IV. UNFORESEEABLE EMERGENCY	4
ARTICLE V. PAYMENT OF BENEFITS	5
ARTICLE VI. ADMINISTRATION	5
ARTICLE VII. MISCELLANEOUS	8

KINKO'S, INC. DEFERRED COMPENSATION PLAN

This Kinko's, Inc. Deferred Compensation Plan (the "Plan"), which Kinko's, Inc. has adopted effective January 1, 1998, for the benefit of certain of its executive employees and executive employees of participating affiliates who constitute a select group of management or highly compensated employees. The Plan is intended to permit these executives to defer receipt of compensation they cannot defer under other plans maintained by Kinko's, Inc.

This Plan is intended to qualify as an unfunded plan maintained by Kinko's, Inc. primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees.

ARTICLE I.

DEFINITIONS

When used herein, the following shall have the meanings set forth below unless the context clearly indicates otherwise:

1.1 "Account" means the bookkeeping account maintained for each Participant on the books of the Employer.

1.2 "Administrator" means the Committee appointed to administer the Plan.

1.3 "Beneficiary" or "Beneficiaries" shall mean the person or persons, including a trustee, personal representative or other fiduciary, last designated in writing by a Participant in accordance with procedures established by the Committee to receive the benefits specified hereunder in the event of the Participant's death. No beneficiary designation shall become effective until it is filed with the Committee. Any designation shall be revocable at any time through a written instrument filed by the Participant with the Committee with or without the consent of the previous Beneficiary. However, no designation of a Beneficiary other than the Participant's spouse shall be valid unless consented to in writing by such spouse. If there is no such designation or if there is no surviving designated Beneficiary, then the Participant's surviving spouse shall be the Beneficiary. If there is no surviving spouse to receive any benefits payable in accordance with the preceding sentence, the duly appointed and currently acting personal representative of the Participant's estate (which shall include either the Participant's probate estate or living trust) shall be the Beneficiary. In any case where there is no such personal representative of the Participant's estate duly appointed and acting in that capacity within 90 days after the Participant's death (or such extended period as the Committee determines is reasonably necessary to allow such personal representative to be appointed, but not to exceed 180 days after the Participant's death), then Beneficiary shall mean the person or persons who can verify by affidavit or court order to the satisfaction of the Committee that they are legally entitled to receive the benefits specified hereunder. In the event any amount is payable under the Plan to a minor, payment shall not be made to the minor, but instead be paid (a) to that person's living parent(s) to act as custodian, (b) if that person's parents are then divorced, and one parent is the sole custodial

parent, to such custodial parent, or (c) if no parent of that person is then living, to a custodian selected by the Committee to hold the funds for the minor under the Uniform Transfers or Gifts to Minors Act in effect in the jurisdiction in which the minor resides. If no parent is living and the Committee decides not to select another custodian to hold the funds for the minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no guardian of the estate for the minor is duly appointed and currently acting within 60 days after the date the amount becomes payable, payment shall be deposited with the court having jurisdiction over the estate of the minor. Payment by Sponsor pursuant to any unrevoked Beneficiary designation, or to the Participant's estate if no such designation exists, of all benefits owed hereunder shall terminate any and all liability of Sponsor.

1.4 "Board of Directors" means the Board of Directors of the Sponsor.

1.5 "Code" means the Internal Revenue Code of 1986, as amended.

1.6 "Committee" means the individuals appointed by the Sponsor to administer the Plan.

1.7 "Compensation" means the total compensation, including salary and incentive payments under any annual incentive plan maintained by the Employer, paid by the Employer to a Participant with respect to services rendered by such Participant during a Plan Year, regardless of whether paid during such Plan Year or at a later time. Compensation shall exclude any amounts contributed by the Employer to this or any other employee benefit plan any non-recurring amounts such as payments under any long-term incentive or deferred compensation plans, any amounts realized upon the exercise or disposition of a stock option, and any payments by the Employer for group insurance, hospitalization insurance, travel allowances, or like benefits, but shall include amounts contributed by an Employee under this or any other employee benefit plan. Compensation shall not include any amount earned before the Effective Date, no matter when paid. Notwithstanding any provision to the contrary contained herein, for the 1998 Plan Year, Compensation shall not include incentive payments.

1.8 "Co-worker" means an individual who is employed in an executive capacity by the Employer and is part of a select group of management or highly compensated employees.

1.9 "Effective Date" means January 1, 1998.

1.10 "Elective Deferral" means the amount withheld from a Participant's Compensation pursuant to a deferral agreement described in Section 2.2.

1.11 "Eligible Co-worker" means an individual who satisfies the requirements of Section 2.1.

1.12 "Employer" means the Sponsor and each other entity that is included with the Sponsor in a controlled group of corporations or a controlled group of trades or businesses within the meaning of section 414(b) or (c) of the Code and has joined the Plan with the approval of the Board of Directors.

1.13 "ERISA" means the Employee Retirement Income Security Act of 1974 as amended.

1.14 "Participant" means an Eligible Co-worker who becomes a Participant as described in Section 2.2.

1.15 "Plan" means the Kinko's, Inc. Deferred Compensation Plan set forth herein.

1.16 "Plan Year" means the calendar year. The first Plan Year begins on the Effective Date.

1.17 "Sponsor" means Kinko's, Inc., a Delaware corporation.

1.18 "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from a sudden or unexpected illness or accident of the Participant or of a dependent (as defined in section 152(a) of the Code) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, as determined by the Administrator in its discretion.

ARTICLE II.

PARTICIPATION

2.1 Eligible Co-workers. Eligible Co-workers are Co-workers designated and approved for participation by the Compensation Committee of the Board of Directors or the Chief Executive Officer of the Sponsor. An Eligible Co-worker shall be eligible to participate in the Plan as of the latest of the following dates: (a) the Effective Date, (b) his date of hire, or (c) his designation as an Eligible Co-worker.

2.2 Participation. An Eligible Co-worker shall become a Participant in the first Plan Year that he is eligible for participation by filing a written election to participate in the form designated by the Committee within 30 days of first becoming eligible to participate. His election shall authorize the appropriate Employer to withhold a fixed amount or whole percentage of his Compensation, as specified in Section 3.1.(a) to be allocated to his Account, and shall provide such other information as the Administrator shall reasonably require. An Eligible Co-worker who fails to become a Participant during the first Plan Year in which he shall be eligible to participate may subsequently become a participant by making an election in accordance with Section 3.1(b).

2.3 Cessation of Participation. A Participant shall cease to be a Participant on the earlier of his termination of employment for any reason or the date the Compensation Committee of the Board of Directors or the Chief Executive Officer determines that he shall no longer be an Eligible Co-worker. A Participant whose participation is terminated shall nevertheless remain entitled to receive the balance of his Account in accordance with Article V.

ARTICLE III.

PARTICIPANTS' ACCOUNTS

3.1 Elective Deferrals.

(a) Elections. Each Participant may elect to have his Compensation for a Plan Year or, with respect to a Participant who becomes an Eligible Co-worker during a Plan Year, the remainder thereof, reduced by a fixed amount or a whole percentage and credited to his Account. The total amount deferred by a Participant with respect to any Plan Year shall not exceed 25% of his Compensation; provided, however, that for the initial Plan Year of the Plan, the total amount deferred shall not exceed 50% of the Participant's base salary payable during such Plan Year.

(b) Time for Elections. A Participant's election will not be effective unless made on or before December 19 of the Plan Year before the Plan Year in which the Compensation will be earned. However, a Participant hired during a Plan Year may make an election as set forth in Section 2.2 not later than 30 days following the date he becomes an Eligible Co-worker. Such election shall apply only to Compensation earned after the election is made.

(c) Irrevocability; Termination. Subject to Section 4.1, a Participant's election may not be amended or revoked during a Plan Year. A Participant's election will not continue in effect beyond the last day of the Plan Year for which it is made, except to the extent that it relates to amounts earned in that Plan Year that are payable in a following Plan Year

3.2 Accruals and Interest. Each Participant's Elective Deferrals shall be credited to his Account as of the last day of each pay period. As of the last day of each quarter, interest shall be credited to each Participant's Account. The amount of such interest shall be determined by multiplying the Participant's average Account balance, excluding any interest accrued during the current Plan Year, for such quarter by the Sponsor's lowest available credit facility lending rate in effect on December 19, or the nearest business day to December 19, of the Plan Year preceding the Plan Year for which interest is credited.

3.3 Vesting. A Participant shall be fully vested in his Account at all times.

ARTICLE IV.

UNFORESEEABLE EMERGENCY

4.1 Request for Distribution. A Participant who incurs an Unforeseeable Emergency may request a distribution of all or a portion of the balance of his Account. Such distribution may only be made if the Administrator determines that the hardship resulting from the Unforeseeable Emergency may not be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent such liquidation would not itself cause hardship, or by the cessation of deferrals under any plan of the Employer.

Moreover distributions on account of an Unforeseeable Emergency may be permitted only to the extent necessary, as determined by the Administrator, to reasonably satisfy the need. Such distribution shall be made as soon as administratively practicable after the Administrator determines that the request shall be granted. If a Participant receives a distribution under this Section 4.1, a Participant's Elective Deferrals shall cease for the remainder of the Plan Year and the next following Plan Year.

4.2 Information Required. The Participant shall be required to provide any information reasonably necessary for the Administrator to determine whether an Unforeseeable Emergency exists and the amount of the distribution necessary to relieve the hardship resulting from such Unforeseeable Emergency.

4.3 Debit to Accounts. The Participant's Account shall be debited to reflect the amount of any distributions under Section 4.1.

ARTICLE V.

PAYMENT OF BENEFITS

5.1 Termination of Employment. A Participant shall be entitled to payment of the entire balance of his Account upon termination of employment for any reason, including retirement or disability, other than death. Such benefits shall be paid in the form of a single cash lump sum unless the Participant elects, by not later than one year prior to his termination date, to receive distribution of his Account balance in the form of annual installments over a fixed period of years, not in excess of five, selected by the Participant. Payment shall be made or begin as soon as administratively practicable after the Participant terminates employment. If payment is made in the form of installments, the amount of each installment after the first shall be increased by the interest credited under Section 3.2 to the Participant's Account after the prior installment was paid.

5.2 Death. As soon as administratively practicable following a Participant's death, the Participant's Beneficiary shall be paid a single cash lump sum equal to the balance of the Participant's Account. If a Participant who elected to receive the balance of his Account in installments dies before full payment of all installments due him, the remaining installments shall be paid in a cash lump sum to his Beneficiary. Payment by Sponsor pursuant to any unrevoked Beneficiary designation, or to the Participant's estate if no such designation exists, of all benefits owed hereunder shall terminate any and all liability of Sponsor.

ARTICLE VI.

ADMINISTRATION

6.1 Committee. The Committee shall be appointed by, and serve at the pleasure of, the Sponsor. The number of members comprising the Committee shall be determined by the Sponsor which may from time to time vary the number of members. A member of the Committee may resign by delivering a written notice of resignation to the Sponsor. The Sponsor

may remove any member by delivering a notice of removal to such member. Vacancies in the membership of the Committee shall be filled promptly by the Sponsor.

6.2 Committee Action. The Committee shall act at meetings by affirmative vote of a majority of the members of the Committee. Any action permitted to be taken at a meeting may be taken without a meeting if, prior to such action, a written consent to the action is signed by all members of the Committee and such written consent is filed with the minutes of the proceedings of the Committee. A member of the Committee shall not vote or act upon any matter which relates solely to himself or herself as a Participant. The Chairman or any other member or members of the Committee designated by the Chairman may execute any certificate or other written direction on behalf of the Committee.

6.3 Powers and Duties of the Committee.

(a) The Committee, on behalf of the Participants and their Beneficiaries, shall enforce the Plan in accordance with its terms, shall be charged with the general administration of the Plan, and shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

- (1) To construe and interpret the terms and provisions of this Plan;
- (2) To compute and certify to the amount and kind of benefits payable to Participants and their Beneficiaries;
- (3) To maintain all records that may be necessary for the administration of the Plan;
- (4) To provide for the disclosure of all information and the filing or provision of all reports and statements to Participants, Beneficiaries or governmental agencies as shall be required by law;
- (5) To make and publish such rules for the regulation of the Plan and procedures for the administration of the Plan as are not inconsistent with the terms hereof;
- (6) To appoint a plan administrator or any other agent, and to delegate to them such powers and duties in connection with the administration of the Plan as the Committee may from time to time prescribe; and
- (7) To take all actions necessary for the administration of the Plan.

6.4 Construction and Interpretation. The Committee shall have full discretion to construe and interpret the terms and provisions of this Plan, which interpretations or construction shall be final and binding on all parties, including but not limited to the Sponsor and any Participant or Beneficiary. The Committee shall administer such terms and provisions in a uniform and nondiscriminatory manner and in full accordance with any and all laws applicable to the Plan.

6.5 Information. To enable the Committee to perform its functions, the Sponsor shall supply full and timely information to the Committee on all matters relating to the Compensation of all Participants, their death or other events which cause termination of their participation in this Plan, and such other pertinent facts as the Committee may require.

6.6 Compensation, Expenses and Indemnity.

(a) The members of the Committee shall serve without compensation for their services hereunder.

(b) The Committee is authorized at the expense of the Sponsor to employ such legal counsel as it may deem advisable to assist in the performance of its duties hereunder. Expenses and fees in connection with the administration of the Plan shall be paid by the Sponsor.

(c) To the extent permitted by applicable state law, the Sponsor shall indemnify and save harmless the Committee and each member thereof, the Board of Directors and any delegate of the Committee who is an employee of the Sponsor against any and all expenses, liabilities and claims, including legal fees to defend against such liabilities and claims arising out of their discharge in good faith of responsibilities under or incident to the Plan, other than expenses and liabilities arising out of willful misconduct. This indemnity shall not preclude such further indemnities as may be available under insurance purchased by the Sponsor or provided by the Sponsor under any bylaw, agreement or otherwise, as such indemnities are permitted under state law.

6.7 Claims Procedure.

(a) Initial Determination. Upon presentation to the Committee of a written claim for benefits under the Plan, the Committee shall make a determination of the validity thereof. If the determination is adverse to the claimant, the Committee shall furnish to the claimant within 90 days after the receipt of the claim a written notice setting forth the following:

- (1) the specific reason or reasons for the denial;
- (2) specific references to pertinent provisions of the Plan on which the denial is based;
- (3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- (4) appropriate information as to the steps to be taken if the claimant wishes to submit his or her claim for review.

(b) Appeal Procedure. In the event of a denial of a claim, the claimant or his or her duly authorized representative may appeal such denial to the Committee for a full and fair review of the adverse determination. The claimant's request for review must be in writing and made to the Committee within 60 days after receipt by claimant of the written notification

described in Section 6.2.(a); provided, however, that such 60-day period shall be extended if circumstances so warrant. The claimant or his or her duly authorized representative must submit issues and comments in writing with supporting documentation which shall be given full consideration by the Committee in its review. The Committee may, in its sole discretion, conduct a hearing. A request for a hearing made by the claimant will be given full consideration. At such hearing, the claimant shall be entitled to appear and present evidence and be represented by counsel.

(c) Decision on Appeal. A decision on a request for review shall be made by the Committee not later than 60 days after receipt of the request; provided, however, in the event of a hearing or other special circumstances, such decision shall be made not later than 120 days after receipt of such request. If it is necessary to extend the period of time for making a decision beyond 60 days after the receipt of the request, the claimant shall be notified in writing of the extension of time prior to the beginning of such extension. The Committee's decisions on review shall state in writing the specific reasons and references to the Plan provisions on which it is based. Such decision shall be promptly provided to the claimant.

ARTICLE VII.

MISCELLANEOUS

7.1 Unsecured General Creditor. Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, claims, or interest in any specific property or assets of the Sponsor. No assets of the Sponsor shall be held in any way as collateral security for the fulfilling of the obligations of the Sponsor under this Plan. Any and all of the Sponsor's assets shall be, and remain, the general unpledged, unrestricted assets of the Sponsor. The Sponsor's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Sponsor to pay money in the future, and the rights of the Participants and Beneficiaries shall be no greater than those of unsecured general creditors. It is the intention of the Sponsor that this Plan be unfunded for purposes of the Code and for purposes of Title 1 of ERISA.

7.2 No Effect on Employment Rights. Nothing contained herein will confer upon any Participant the right to be retained in the service of the Employer nor limit the right of the Employer to discharge or otherwise deal with any Participant without regard to the existence of the Plan.

7.3 Funding. The Sponsor may establish a grantor trust for the purpose to funding Account balances. Any trust so created shall conform to the terms of the model trust provided by the Internal Revenue Service as described in Revenue Procedure 92-64. Notwithstanding the establishment of such trust, it is the intention of the Employer and the Participants that the Plan shall be unfunded for tax purposes and for purposes of Title I of ERISA. The Plan constitutes a mere promise by the Employer to pay benefits in the future. To the extent any Participant or any other person acquires a right to receive benefits under this Plan, such right shall be no greater than the right of any unsecured general creditor of the Employer.

7.4 Restriction Against Assignment. The Sponsor shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or corporation. No part of a Participant's Account shall be liable for the debts, contracts, or engagements of any Participant, his or her Beneficiary, or successors in interest, nor shall a Participant's Account be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. If any Participant, Beneficiary or successor in interest is adjudicated bankrupt or purports to anticipate, alienate, sell, transfer, commute, assign, pledge, encumber or charge any distribution or payment from the Plan, voluntarily or involuntarily, the Committee, in its discretion, may cancel such distribution or payment (or any part thereof) to or for the benefit of such Participant, Beneficiary or successor in interest in such manner as the Committee shall direct.

7.5 Governing Law. The Plan is established under and will be construed according to the laws of the State of California to the extent that such laws are not preempted by ERISA and valid regulations promulgated thereunder.

7.6 Incapacity of Recipient. In the event a Participant is declared incompetent and a conservator or other person legally charged with the care of the person or the estate of such Participant is appointed, any benefits under the Plan to which such Participant is entitled shall be paid to the conservator or other person legally charged with the care of such Participant. The payment pursuant to the preceding sentence shall terminate any and all liability of the Plan Sponsor.

7.7 Taxes. Any taxes imposed upon a Participant shall be the sole responsibility of the Participant. The Employer shall have the right to deduct from the Participant's Compensation or any payment made pursuant to this Plan any federal, state, local or other taxes required to be deducted or withheld from such Compensation or payment, as the Committee may determine in its sole discretion.

7.8 Amendment or Termination. The Sponsor reserves the right to amend or terminate the Plan by or pursuant to action of the Board of Directors when, in the sole opinion of the Sponsor, an amendment or termination is advisable. Any amendment or termination shall be made pursuant to a resolution of the Board of Directors and shall be effective as of the date of the resolution. No amendment or termination of the Plan shall directly or indirectly deprive any Participant of all or any portion of the Participant's Account considered to be vested under the Plan before the date of amendment or termination. Sponsor reserves the right to accelerate payment of benefits in the event of amendment or termination of this Plan or to pay such benefits in accordance with Article V.

7.9 Construction. The masculine gender shall include the feminine and the singular the plural, unless the context clearly requires otherwise.

To record its adoption of the Plan, Kinko's, Inc. has caused its authorized officers to affix its corporate name and seal this 4th day of SEPTEMBER, 1998.

KINKO'S, INC.

By: Stuart Blake
Stuart Blake
Title: VP. GENERAL COUNSEL & SECRETARY

By: A Foss
Adrianna Foss
Title: VP, Human Resources & Development

Attest: [Signature]
Title: Asst Secretary

KINKO'S, INC. SUPPLEMENTAL RETIREMENT PLAN

EFFECTIVE JANUARY 1, 1998

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	1
ARTICLE II PARTICIPATION	4
ARTICLE III PARTICIPANTS' ACCOUNTS	5
ARTICLE IV UNFORESEEABLE EMERGENCY	6
ARTICLE V PAYMENT OF BENEFITS	6
ARTICLE VI ADMINISTRATION	7
ARTICLE VII MISCELLANEOUS	9

KINKO'S, INC. SUPPLEMENTAL RETIREMENT PLAN

This is the Kinko's, Inc. Supplemental Retirement Plan (the "Plan"), which Kinko's, Inc., has adopted effective January 1, 1998, for the benefit of certain of its executive employees and executive employees of participating affiliates who constitute a select group of management or highly compensated employees. The Plan is intended to provide these executives with the retirement benefits they would have been eligible to receive under the Kinko's 401(k) Retirement Savings Plan (the "Savings Plan") but for (1) the limit on compensation that may be taken into account under the Savings Plan contained in Section 401(a)(17) of the Internal Revenue Code of 1986, and (2) with respect to certain newly-hired executives, the eligibility requirements of the Savings Plan.

This Plan is intended to qualify as an unfunded plan maintained by Kinko's, Inc. primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees.

ARTICLE I

DEFINITIONS

When used herein, the following shall have the meanings set forth below unless the context clearly indicates otherwise:

1.1 "Account" means the bookkeeping account maintained for each Participant on the books of the Employer that is comprised of the following subaccounts:

(a) "Elective Deferral Account" to which a Participant's Elective Deferrals and interest thereon are credited; and

(b) "Matching Allocation Account" to which a Participant's Matching Allocations and interest thereon are credited.

(c) "Discretionary Allocation Account" to which a Participant's Discretionary Allocations and interest thereon are credited.

1.2 "Administrator" means the Committee appointed to administer the Plan.

1.3 "Beneficiary" or "Beneficiaries" shall mean the person or persons, including a trustee, personal representative or other fiduciary, last designated in writing by a Participant in accordance with procedures established by the Committee to receive the benefits specified hereunder in the event of the Participant's death. No beneficiary designation shall become effective until it is filed with the Committee. Any designation shall be revocable at any time through a written instrument filed by the Participant with the Committee with or without the consent of the previous Beneficiary. However, no designation of a Beneficiary other than the Participant's spouse shall be valid unless consented to in writing by such spouse. If there is no

such designation or if there is no surviving designated Beneficiary, then the Participant's surviving spouse shall be the Beneficiary. If there is no surviving spouse to receive any benefits payable in accordance with the preceding sentence, the duly appointed and currently acting personal representative of the Participant's estate (which shall include either the Participant's probate estate or living trust) shall be the Beneficiary. In any case where there is no such personal representative of the Participant's estate duly appointed and acting in that capacity within 90 days after the Participant's death (or such extended period as the Committee determines is reasonably necessary to allow such personal representative to be appointed, but not to exceed 180 days after the Participant's death), then Beneficiary shall mean the person or persons who can verify by affidavit or court order to the satisfaction of the Committee that they are legally entitled to receive the benefits specified hereunder. In the event any amount is payable under the Plan to a minor, payment shall not be made to the minor, but instead be paid (a) to that person's living parent(s) to act as custodian, (b) if that person's parents are then divorced, and one parent is the sole custodial parent, to such custodial parent, or (c) if no parent of that person is then living, to a custodian selected by the Committee to hold the funds for the minor under the Uniform Transfers or Gifts to Minors Act in effect in the jurisdiction in which the minor resides. If no parent is living and the Committee decides not to select another custodian to hold the funds for the minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no guardian of the estate for the minor is duly appointed and currently acting within 60 days after the date the amount becomes payable, payment shall be deposited with the court having jurisdiction over the estate of the minor. Payment by Sponsor pursuant to any unrevoked Beneficiary designation, or to the Participant's estate if no such designation exists, of all benefits owed hereunder shall terminate any and all liability of Sponsor.

1.4 "Board of Directors" means the Board of Directors of the Sponsor.

1.5 "Cause" means (a) the Employee's conviction for commission of a felony or offense involving dishonesty with respect to the Employer; (b) the willful engaging by the Employee in conduct, or the willful failing to act in accordance with his duties, which is demonstrably and materially injurious to the Employer, whether monetarily or otherwise, including acts and omissions that constitute gross negligence; (c) the Employee's commission of an act of material dishonesty or fraud in his duties; (d) the Employee's continual and willful failure to perform his duties after being given written notice thereof and a reasonable opportunity to be heard and improve; or (e) the Employee's breach of any fiduciary duty owing to the Employer. No act or failure by an Employee shall be considered "willful" unless done or not done by the Employee in bad faith and without reasonable belief that the Employee's action or omission was in the best interest of the Employer.

1.6 "Code" means the Internal Revenue Code of 1986, as amended.

1.7 "Committee" means the individuals appointed by the Sponsor to administer the Plan.

1.8 "Compensation" means the total compensation, including salary, and incentive payments under any annual incentive plan maintained by the Employer, paid by the Employer to a Participant with respect to services rendered by such Participant during a Plan

Year, regardless of whether paid during such Plan Year or at a later time. Compensation shall exclude any amounts contributed by the Employer to this or any other employee benefit plan, any non-recurring amounts such as payments under long-term incentive or deferred compensation plans, any amounts realized upon exercise or disposition of a stock option, and any payments by the Employer for group insurance, hospitalization insurance, travel allowances, or like benefits, but shall include amounts contributed by an Employee under this or any other employee benefit plan, whether on a pre- or post-tax basis. Compensation shall not include any amount earned before the Effective Date, no matter when paid. Notwithstanding any provisions to the contrary contained herein, for the 1998 Plan Year, Compensation shall not include incentive payments.

1.9 "Co-worker" means an individual who is employed in an executive capacity by the Employer and is part of a select group of management or highly compensated employees.

1.10 "Discretionary Allocation" shall mean the discretionary contribution, if any, made by Employer and allocated to a Participant's Discretionary Allocation Account.

1.11 "Effective Date" means January 1, 1998.

1.12 "Elective Deferral" means the amount withheld from a Participant's Eligible Compensation pursuant to a deferral agreement described in Section 2.2.

1.13 "Eligible Compensation" means a Participant's Compensation in excess of the dollar limit on the amount of compensation that may be considered for a Plan Year in determining a Participant's benefit under a retirement plan that is qualified under section 401(a) of the Code, as set forth in section 401(a)(17) of the Code, as adjusted by the Secretary of the Treasury for changes in the cost of living. However, for any period before the Participant becomes eligible to participate in the Savings Plan, Eligible Compensation means the Participant's Compensation.

1.14 "Eligible Co-worker" means an individual who satisfies the requirements of Section 2.1.

1.15 "Employer" means the Sponsor and each other entity that is included with the Sponsor in a controlled group of corporations or a controlled group of trades or businesses within the meaning of section 414(b) or (c) of the Code and has joined the Plan with the approval of the Board of Directors.

1.16 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

1.17 "Matching Allocation" means the allocation by the Employer made on account of a Participant's Elective Deferrals, as described in Section 3.2.

1.18 "Participant" means an Eligible Co-worker who becomes a Participant as described in Section 2.2.

1.19 "Plan" means the Kinko's, Inc. Supplemental Retirement Plan set forth herein.

1.20 "Plan Year" means the calendar year. The first Plan Year begins on the Effective Date.

1.21 "Savings Plan" means the defined contribution plan maintained by the Sponsor that is qualified under section 401(a) of the Code and includes a qualified cash or deferred arrangement under section 401(k) of the Code.

1.22 "Sponsor" means Kinko's, Inc., a Delaware corporation.

1.23 "Unforeseeable Emergency" means a severe financial hardship to the Participant resulting from a sudden or unexpected illness or accident of the Participant or of a dependent (as defined in section 152(a) of the Code) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, as determined by the Administrator in its discretion.

ARTICLE II

PARTICIPATION

2.1 Eligible Co-workers. Eligible Co-workers are Co-workers designated and approved for participation by the Compensation Committee of the Board of Directors or the Chief Executive Officer of the Sponsor. An Eligible Co-worker shall be eligible to participate in the Plan as of the latest of the following dates: (a) the Effective Date, (b) his date of hire or (c) his designation as an Eligible Co-worker.

2.2 Participation. An Eligible Co-worker shall become a Participant in the first Plan Year that he is eligible for participation by filing a written election to participate in the form designated by the Committee within 30 days of first becoming eligible. His election shall authorize the appropriate Employer to withhold a fixed amount or whole percentage of his Eligible Compensation, as specified in Section 3.1(a), to be allocated to his Elective Deferral Account, and shall provide such other information as the Committee shall reasonably require. An Eligible Co-worker who fails to become a Participant during the first Plan Year in which he shall be eligible to participate may subsequently become a Participant by making an election in accordance with Section 3.1(b).

2.3 Cessation of Participation. A Participant shall cease to be a Participant on the earlier of his termination of employment for any reason or the date the Compensation Committee of the Board of Directors or the Chief Executive Officer determines that he shall no longer be an Eligible Co-worker. A Participant whose participation is terminated shall nevertheless remain entitled to receive the balance of his Account in accordance with Article V, subject to the forfeiture provision of Section 5.2.

ARTICLE III

PARTICIPANTS' ACCOUNTS

3.1 Elective Deferrals.

(a) Elections. Each Participant may elect to have his Eligible Compensation for a Plan Year or, with respect to a Participant who becomes an Eligible Co-worker during a Plan Year, the remainder thereof, reduced by a fixed amount or a whole percentage, not in excess of 5% of his Eligible Compensation.

(b) Time for Elections. A Participant's election will not be effective unless made on or before December 19 of the Plan Year before the Plan Year in which the Eligible Compensation will be earned. However, a Participant hired during a Plan Year may make an election as set forth in Section 2.2 not later than 30 days following the date he becomes an Eligible Co-worker. Such election shall apply only to Eligible Compensation earned after the election is made.

(c) Irrevocability; Termination. Except as provided in Section 4.1, a Participant's election may not be amended or revoked during a Plan Year. A Participant's election will not continue in effect beyond the last day of the Plan Year for which it is made, except to the extent that it relates to amounts earned in that Plan Year that are payable in a following Plan Year.

3.2 Allocations.

(a) Nondiscretionary Allocations. For each Plan Year, the Administrator shall credit each Participant's Matching Allocation Account with Matching Allocations equal to 100% of the Participant's Elective Deferrals for the Plan Year.

(b) Discretionary Allocations. In its discretion, the Board of Directors may authorize Discretionary Allocations to be made for a Plan Year in addition to those described in Section 3.2(a).

3.3 Crediting of Accounts. Elective Deferrals under Section 3.1(a) shall be credited to Participants' Elective Deferral Accounts as of the last day of each pay period. Matching Allocations under Section 3.2(a) shall be credited to Participants' Matching Allocation Accounts as of the last day of each pay period. Discretionary Allocations under Section 3.2(b) shall be credited to Participants' Discretionary Allocation Account as of the date specified by the Board of Directors.

3.4 Interest. As of the last day of each quarter, interest shall be credited to each Participant's Account. The amount of such interest shall be determined by multiplying the Participant's average Account balance, excluding any interest accrued during the current Plan Year, for such quarter by the Sponsor's lowest available credit facility lending rate in effect on December 19, or the nearest business day to December 19, of the Plan Year preceding the Plan Year for which interest is credited.

3.5 Vesting. A Participant shall be fully vested in his Account at all times. Notwithstanding the preceding sentence, however, if a Participant's employment is terminated for Cause, the Participant shall forfeit the balance of his Matching Allocation Account and Discretionary Allocation Account.

ARTICLE IV

UNFORESEEABLE EMERGENCY

4.1 Request for Distribution. A Participant who incurs an Unforeseeable Emergency may request a distribution of all or a portion of the balance of his Account. Such distribution may only be made if the Administrator determines that the hardship resulting from the Unforeseeable Emergency may not be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent such liquidation would not itself cause hardship, or by the cessation of deferrals under any plan of the Employer. Moreover distributions on account of an Unforeseeable Emergency may be permitted only to the extent necessary, as determined by the Administrator, to reasonably satisfy the need. Such distribution shall be made as soon as administratively practicable after the Administrator determines that the request shall be granted. If a Participant receives a distribution under this Section 4.1, a Participant's Elective Deferrals shall cease for the remainder of the Plan Year and the next following Plan Year.

4.2 Information Required. The Participant shall be required to provide any information reasonably necessary for the Administrator to determine whether an Unforeseeable Emergency exists and the amount of the distribution necessary to relieve the hardship resulting from such Unforeseeable Emergency.

4.3 Debit to Accounts. The Participant's Account shall be debited to reflect the amount of any distributions under Section 4.1.

ARTICLE V

PAYMENT OF BENEFITS

5.1 Termination of Employment. A Participant shall be entitled to payment of the entire balance of his Account upon termination of employment for any reason, including retirement or disability, other than death or discharge from employment by the Employer for Cause. Such benefit shall be paid in the form of a single cash lump sum unless the Participant elects, by not later than one year prior to his termination date, to receive distribution of his Account balance in the form of annual installments over a fixed period of years, not in excess of five, selected by the Participant. Payment shall be made or begin as soon as administratively practicable after the Participant terminates employment. If payment is made in the form of installments, the amount of each installment after the first shall be increased by the interest credited under Section 3.4 to the Participant's Account after the prior installment was paid.

5.2 Discharge for Cause. A Participant whose employment is terminated by the Employer for Cause shall receive a single cash lump sum equal to the balance of his Elective Deferral Account as soon as administratively practicable following his termination of employment. Such Participant shall forfeit the entire balance of his Matching Allocation Account.

5.3 Death. As soon as administratively practicable following a Participant's death, the Participant's Beneficiary shall be paid a single cash lump sum equal to the balance of the Participant's Account. If a Participant who elected to receive the balance of his Account in installments dies before full payment of all installments due him, the remaining installments shall be paid in a cash lump sum to his Beneficiary. Payment by Sponsor pursuant to any unrevoked Beneficiary designation, or to the Participant's estate if no such designation exists, of all benefits owed hereunder shall terminate any and all liability of Sponsor.

ARTICLE VI

ADMINISTRATION

6.1 Committee. The Committee shall be appointed by, and serve at the pleasure of, the Sponsor. The number of members comprising the Committee shall be determined by the Sponsor which may from time to time vary the number of members. A member of the Committee may resign by delivering a written notice of resignation to the Sponsor. The Sponsor may remove any member by delivering a notice of removal to such member. Vacancies in the membership of the Committee shall be filled promptly by the Sponsor.

6.2 Committee Action. The Committee shall act at meetings by affirmative vote of a majority of the members of the Committee. Any action permitted to be taken at a meeting may be taken without a meeting if, prior to such action, a written consent to the action is signed by all members of the Committee and such written consent is filed with the minutes of the proceedings of the Committee. A member of the Committee shall not vote or act upon any matter which relates solely to himself or herself as a Participant. The Chairman or any other member or members of the Committee designated by the Chairman may execute any certificate or other written direction on behalf of the Committee.

6.3 Powers and Duties of the Committee.

(a) The Committee, on behalf of the Participants and their Beneficiaries, shall enforce the Plan in accordance with its terms, shall be charged with the general administration of the Plan, and shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

- (1) To construe and interpret the terms and provisions of this Plan;
- (2) To compute and certify to the amount and kind of benefits payable to Participants and their Beneficiaries;
- (3) To maintain all records that may be necessary for the administration of the Plan;

(4) To provide for the disclosure of all information and the filing or provision of all reports and statements to Participants, Beneficiaries or governmental agencies as shall be required by law;

(5) To make and publish such rules for the regulation of the Plan and procedures for the administration of the Plan as are not inconsistent with the terms hereof;

(6) To appoint a plan administrator or any other agent, and to delegate to them such powers and duties in connection with the administration of the Plan as the Committee may from time to time prescribe; and

(7) To take all actions necessary for the administration of the Plan.

6.4 Construction and Interpretation. The Committee shall have full discretion to construe and interpret the terms and provisions of this Plan, which interpretations or construction shall be final and binding on all parties, including but not limited to the Sponsor and any Participant or Beneficiary. The Committee shall administer such terms and provisions in a uniform and nondiscriminatory manner and in full accordance with any and all laws applicable to the Plan.

6.5 Information. To enable the Committee to perform its functions, the Sponsor shall supply full and timely information to the Committee on all matters relating to the Compensation of all Participants, their death or other events which cause termination of their participation in this Plan, and such other pertinent facts as the Committee may require.

6.6 Compensation, Expenses and Indemnity.

(a) The members of the Committee shall serve without compensation for their services hereunder.

(b) The Committee is authorized at the expense of the Sponsor to employ such legal counsel as it may deem advisable to assist in the performance of its duties hereunder. Expenses and fees in connection with the administration of the Plan shall be paid by the Sponsor.

(c) To the extent permitted by applicable state law, the Sponsor shall indemnify and save harmless the Committee and each member thereof, the Board of Directors and any delegate of the Committee who is an employee of the Sponsor against any and all expenses, liabilities and claims, including legal fees to defend against such liabilities and claims arising out of their discharge in good faith of responsibilities under or incident to the Plan, other than expenses and liabilities arising out of willful misconduct. This indemnity shall not preclude such further indemnities as may be available under insurance purchased by the Sponsor or provided by the Sponsor under any bylaw, agreement or otherwise, as such indemnities are permitted under state law.

6.7 Claims Procedure.

(a) Initial Determination. Upon presentation to the Committee of a written claim for benefits under the Plan, the Committee shall make a determination of the validity thereof. If the determination is adverse to the claimant, the Committee shall furnish to the claimant within 90 days after the receipt of the claim a written notice setting forth the following:

- (1) the specific reason or reasons for the denial;
- (2) specific references to pertinent provisions of the Plan on which the denial is based;
- (3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- (4) appropriate information as to the steps to be taken if the claimant wishes to submit his or her claim for review.

(b) Appeal Procedure. In the event of a denial of a claim, the claimant or his or her duly authorized representative may appeal such denial to the Committee for a full and fair review of the adverse determination. The claimant's request for review must be in writing and made to the Committee within 60 days after receipt by claimant of the written notification described in Section 6.2.(a); provided, however, that such 60-day period shall be extended if circumstances so warrant. The claimant or his or her duly authorized representative may submit issues and comments in writing with supporting documentation which shall be given full consideration by the Committee in its review. The Committee may, in its sole discretion, conduct a hearing. A request for a hearing made by the claimant will be given full consideration. At such hearing, the claimant shall be entitled to appear and present evidence and be represented by counsel.

(c) Decision on Appeal. A decision on a request for review shall be made by the Committee not later than 60 days after receipt of the request; provided, however, in the event of a hearing or other special circumstances, such decision shall be made not later than 120 days after receipt of such request. If it is necessary to extend the period of time for making a decision beyond 60 days after the receipt of the request, the claimant shall be notified in writing of the extension of time prior to the beginning of such extension. The Committee's decisions on review shall state in writing the specific reasons and references to the Plan provisions on which it is based. Such decision shall be promptly provided to the claimant.

ARTICLE VII

MISCELLANEOUS

7.1 Unsecured General Creditor. Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, claims, or interest in any specific property or assets of the Sponsor. No assets of the Sponsor shall be held in any way as collateral security for the fulfilling of the obligations of the Sponsor under this Plan. Any and all of the

Sponsor's assets shall be, and remain, the general unpledged, unrestricted assets of the Sponsor. The Sponsor's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Sponsor to pay money in the future, and the rights of the Participants and Beneficiaries shall be no greater than those of unsecured general creditors. It is the intention of the Sponsor that this Plan be unfunded for purposes of the Code and for purposes of Title 1 of ERISA.

7.2 No Effect on Employment Rights. Nothing contained herein will confer upon any Participant the right to be retained in the service of the Employer nor limit the right of the Employer to discharge or otherwise deal with any Participant without regard to the existence of the Plan.

7.3 Funding. The Sponsor may establish a grantor trust for the purpose of funding Account balances. Any trust so created shall conform to the terms of the model trust provided by the Internal Revenue Service as described in Revenue Procedure 92-64. Notwithstanding the establishment of such trust, it is the intention of the Employer and the Participants that the Plan shall be unfunded for tax purposes and for purposes of Title I of ERISA. The Plan constitutes a mere promise by the Employer to pay benefits in the future. To the extent that any Participant or any other person acquires a right to receive benefits under this Plan, such right shall be no greater than the right of any unsecured general creditor of the Employer.

7.4 Restriction Against Assignment. The Sponsor shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or corporation. No part of a Participant's Account shall be liable for the debts, contracts, or engagements of any Participant, his or her Beneficiary, or successors in interest, nor shall a Participant's Account be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. If any Participant, Beneficiary or successor in interest is adjudicated bankrupt or purports to anticipate, alienate, sell, transfer, commute, assign, pledge, encumber or charge any distribution or payment from the Plan, voluntarily or involuntarily, the Committee, in its discretion, may cancel such distribution or payment (or any part thereof) to or for the benefit of such Participant, Beneficiary or successor in interest in such manner as the Committee shall direct.

7.5 Governing Law. the Plan is established under and will be construed according to the laws of the State of California to the extent that such laws are not preempted by ERISA and valid regulations promulgated thereunder.

7.6 Incapacity of Recipient. In the event a Participant is declared incompetent and a conservator or other person legally charged with the care of the person or the estate of such Participant is appointed, any benefits under the Plan to which such Participant is entitled shall be paid to the conservator or other person legally charged with the care of such Participant. The payment pursuant to the preceding sentence shall terminate any and all liability of the Plan Sponsor.

7.7 Taxes. Any taxes imposed upon a Participant shall be the sole responsibility of the Participant. The Employer shall have the right to deduct from the Participant's Compensation or any payment made pursuant to this Plan any federal, state, local or other taxes required to be deducted or withheld from such Compensation or payment, as the Administrator may determine in its sole discretion.

7.8 Amendment or Termination. The Sponsor reserves the right to amend or terminate the Plan by or pursuant to action of the Board of Directors when, in the sole opinion of the Sponsor, an amendment or termination is advisable. Any amendment or termination shall be made pursuant to a resolution of the Board of Directors and shall be effective as of the date of the resolution. No amendment or termination of the Plan shall directly or indirectly deprive any Participant of all or any portion of the Participant's Account considered to be vested under the Plan before the date of amendment or termination. Sponsor reserves the right to accelerate payment of benefits in the event of amendment or termination of this Plan or to pay such benefits in accordance with Article V.

7.9 Construction. The masculine gender shall include the feminine and the singular the plural, unless the context clearly requires otherwise.

To record its adoption of the Plan, Kinko's Inc. has caused its authorized officers to affix its corporate name and seal this 4th day of SEPTEMBER, 1998.

[CORPORATE SEAL]

KINKO'S, INC.

By: Stuart Blake
Stuart Blake
Title: VP, GENERAL COUNSEL & SECRETARY

By: A Foss
Adrianna Foss
Title: VP of Human Resources + Development

Attest: DR Bell
Title: Asst Secretary