

Proposed
Defined Benefit Plan
FOR THE PLAN YEAR 01/01/2007 THROUGH 12/31/2007

FORMULA: BASE PERCENTAGE: 80.000%, EXCESS PERCENTAGE: 0.000%, FOR 25 YEARS OF SERVICE, ACCRUED PRO-RATA TO RETIREMENT
ASSUMED RATES OF RETURN: PRE-RETIREMENT: 5.000%, POST-RETIREMENT: 5.000%

EMPLOYEE NAME	SOCIAL SECURITY NUMBER	SEX	DATE OF BIRTH	DATE OF HI RE	COMPENSATION	AGE	PS	TS	RA	PROJECTED		ACCRUED		PRESENT VALUE OF ACCD. BEN.	CONTRIBUTION (COST OF INDIVIDUAL)	CONTRIB. AS % OF COMP.	CONTRIB. AS % OF TOTAL
										ANNUAL BENEFIT AT RET.	LUMP SUM AT RET.	ANNUAL BEN. AS OF EOY	BEN. AS				
Age 35 owner-1		M	07/01/72	01/01/02	225,000	35	5	33	62	180,000	2,571,426	18,000	72,319	47,036	20.90	82.22	
Age 25 employee-01		M	07/01/82	01/01/06	25,000	25	1	39	62	20,000	285,713	1,026	2,570	2,811	11.24	4.91	
Age 25 employee-02		M	07/01/82	01/01/06	25,000	25	1	39	62	20,000	285,713	1,026	2,570	2,811	11.24	4.91	
Age 30 employee-01		M	07/01/77	01/01/06	30,000	30	1	34	62	24,000	342,857	1,412	4,449	4,553	15.18	7.96	
TOTALS:					305,000								81,908	57,210		100.00	

A 401(k) plan can be combined with the Defined Benefit plan for additional retirement savings. An employer-provided allocation of up to 6% can also be included. This 401(k) plan will not be subject to ADP testing, even if there are Non-Highly Compensated Employees, as long as they are given a 3% Safe-Harbor allocation.

EMPLOYEE NAME	DATE OF BIRTH	DATE OF HI RE	COMPENSATN	AGE	PS	TS	RA	DEFINED BENEFIT PLAN COST		PROFIT SHARING ALLOCATION		NON-ELECTIVE SAFE HARBOR ALLOCATION		401(k) ALLOCATION		CATCH UP 401(k) ALLOCATION		TOTAL EMPLOYEE ALLOCATION		
								AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
Age 35 owner-1	M	07/01/72	01/01/02	225,000	35	5	33	62	47,036	20.90	6,750	3.00	6,750	3.00	15,500	6.89	0	0.00	76,036	33.79
Age 25 employee-01	M	07/01/82	01/01/06	25,000	25	1	39	62	2,811	11.24	750	3.00	750	3.00	0	0.00	0	0.00	4,311	17.24
Age 25 employee-02	M	07/01/82	01/01/06	25,000	25	1	39	62	2,811	11.24	750	3.00	750	3.00	0	0.00	0	0.00	4,311	17.24
Age 30 employee-01	M	07/01/77	01/01/06	30,000	30	1	34	62	4,553	15.18	900	3.00	900	3.00	0	0.00	0	0.00	6,353	21.18
TOTALS:				305,000					57,210		9,150		9,150		15,500		0		91,010	

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:
(9,150 + 9,150) = 18,300 <= 18,300