

Proposed  
New Comparability Cash Balance Plan  
FOR THE PLAN YEAR 01/01/2007 THROUGH 12/31/2007

Cross-tested Cash Balance Plan PLUS Profit Sharing Plan WITH 401(k) Deferrals permitted.

- Top-Heavy Minimum Benefit requirement is met in Profit Sharing Plan (total Employer contribution at least 5% allocation).
- Safe-Harbor 401(k) ADP test is met in Profit Sharing Plan (Non-Eligible Safe Harbor contribution at least 3% allocation).
- Gateway test for Cash Balance Plan Cross-testing is met by Profit Sharing Plan + Cash Balance Plan (generally at least 7.5% allocation, but may be lower).
- Total contribution (Cash Balance Plan PLUS Profit Sharing Plan) is less than the 25% of Covered Payroll total deductibility limit OR Profit Sharing Plan is less than 6% of Covered Payroll deductibility limit.

EMPLOYEE NAME	SEX	DATE OF BIRTH	DATE OF HI RE	PLAN CONSIDERED	CASH BALANCE HYPOTHETICAL ALLOCATION				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	%	AMOUNT	%	AMOUNT	%	AMOUNT	%						
Age 35 owner-1	M	07/01/72	01/01/02	225,000	35	6	33	62	56,995	25.33	22,750	10.11	6,750	3.00	15,500	6.89	0	0.00	0	0.00	101,995	45.33						
Age 20 empl oyee-01	M	07/01/87	01/01/06	20,000	20	2	44	62	100	0.50	1,200	6.00	600	3.00	0	0.00	0	0.00	0	0.00	1,900	9.50						
Age 20 empl oyee-02	M	07/01/87	01/01/06	20,000	20	2	44	62	100	0.50	1,200	6.00	600	3.00	0	0.00	0	0.00	0	0.00	1,900	9.50						
Age 20 empl oyee-03	M	07/01/87	01/01/06	20,000	20	2	44	62	100	0.50	1,200	6.00	600	3.00	0	0.00	0	0.00	0	0.00	1,900	9.50						
Age 25 empl oyee-01	M	07/01/82	01/01/06	25,000	25	2	39	62	125	0.50	1,500	6.00	750	3.00	0	0.00	0	0.00	0	0.00	2,375	9.50						
Age 25 empl oyee-02	M	07/01/82	01/01/06	25,000	25	2	39	62	125	0.50	1,500	6.00	750	3.00	0	0.00	0	0.00	0	0.00	2,375	9.50						
Age 25 empl oyee-03	M	07/01/82	01/01/06	25,000	25	2	39	62	125	0.50	1,500	6.00	750	3.00	0	0.00	0	0.00	0	0.00	2,375	9.50						
Age 25 empl oyee-04	M	07/01/82	01/01/02	25,000	25	6	43	62	125	0.50	1,500	6.00	750	3.00	0	0.00	0	0.00	0	0.00	2,375	9.50						
Age 25 empl oyee-05	M	07/01/82	01/01/02	25,000	25	6	43	62	125	0.50	1,500	6.00	750	3.00	0	0.00	0	0.00	0	0.00	2,375	9.50						
Age 25 empl oyee-06	M	07/01/82	01/01/02	25,000	25	6	43	62	125	0.50	1,500	6.00	750	3.00	0	0.00	0	0.00	0	0.00	2,375	9.50						
Age 30 empl oyee-01	M	07/01/77	01/01/06	30,000	30	2	34	62	150	0.50	1,800	6.00	900	3.00	0	0.00	0	0.00	0	0.00	2,850	9.50						
Age 30 empl oyee-02	M	07/01/77	01/01/06	30,000	30	2	34	62	150	0.50	1,800	6.00	900	3.00	0	0.00	0	0.00	0	0.00	2,850	9.50						
Age 30 empl oyee-03	M	07/01/77	01/01/06	30,000	30	2	34	62	150	0.50	1,800	6.00	900	3.00	0	0.00	0	0.00	0	0.00	2,850	9.50						
Age 30 empl oyee-04	M	07/01/77	01/01/02	30,000	30	6	38	62	150	0.50	1,800	6.00	900	3.00	0	0.00	0	0.00	0	0.00	2,850	9.50						
Age 30 empl oyee-05	M	07/01/77	01/01/02	30,000	30	6	38	62	150	0.50	1,800	6.00	900	3.00	0	0.00	0	0.00	0	0.00	2,850	9.50						
Age 30 empl oyee-06	M	07/01/77	01/01/02	30,000	30	6	38	62	150	0.50	1,800	6.00	900	3.00	0	0.00	0	0.00	0	0.00	2,850	9.50						
Age 35 empl oyee-01	M	07/01/72	01/01/06	35,000	35	2	29	62	175	0.50	2,100	6.00	1,050	3.00	0	0.00	0	0.00	0	0.00	3,325	9.50						
Age 35 empl oyee-02	M	07/01/72	01/01/06	35,000	35	2	29	62	175	0.50	2,100	6.00	1,050	3.00	0	0.00	0	0.00	0	0.00	3,325	9.50						
Age 35 empl oyee-03	M	07/01/72	01/01/02	35,000	35	6	33	62	175	0.50	2,100	6.00	1,050	3.00	0	0.00	0	0.00	0	0.00	3,325	9.50						
Age 35 empl oyee-04	M	07/01/72	01/01/02	35,000	35	6	33	62	175	0.50	2,100	6.00	1,050	3.00	0	0.00	0	0.00	0	0.00	3,325	9.50						
Age 35 empl oyee-05	M	07/01/72	01/01/02	35,000	35	6	33	62	175	0.50	2,100	6.00	1,050	3.00	0	0.00	0	0.00	0	0.00	3,325	9.50						
Age 35 empl oyee-06	M	07/01/72	01/01/02	35,000	35	6	33	62	175	0.50	2,100	6.00	1,050	3.00	0	0.00	0	0.00	0	0.00	3,325	9.50						
Age 40 empl oyee-01	M	07/01/67	01/01/06	40,000	40	2	24	62	200	0.50	2,400	6.00	1,200	3.00	0	0.00	0	0.00	0	0.00	3,800	9.50						
Age 40 empl oyee-02	M	07/01/67	01/01/06	40,000	40	2	24	62	200	0.50	2,400	6.00	1,200	3.00	0	0.00	0	0.00	0	0.00	3,800	9.50						
Age 40 empl oyee-03	M	07/01/67	01/01/02	40,000	40	6	28	62	200	0.50	2,400	6.00	1,200	3.00	0	0.00	0	0.00	0	0.00	3,800	9.50						
Age 40 empl oyee-04	M	07/01/67	01/01/02	40,000	40	6	28	62	200	0.50	2,400	6.00	1,200	3.00	0	0.00	0	0.00	0	0.00	3,800	9.50						
Age 40 empl oyee-05	M	07/01/67	01/01/02	40,000	40	6	28	62	200	0.50	2,400	6.00	1,200	3.00	0	0.00	0	0.00	0	0.00	3,800	9.50						
Age 45 empl oyee-01	M	07/01/62	01/01/06	45,000	45	2	19	62	225	0.50	2,700	6.00	1,350	3.00	0	0.00	0	0.00	0	0.00	4,275	9.50						
Age 45 empl oyee-02	M	07/01/62	01/01/02	45,000	45	6	23	62	225	0.50	2,700	6.00	1,350	3.00	0	0.00	0	0.00	0	0.00	4,275	9.50						
Age 45 empl oyee-03	M	07/01/62	01/01/02	45,000	45	6	23	62	225	0.50	2,700	6.00	1,350	3.00	0	0.00	0	0.00	0	0.00	4,275	9.50						
Age 45 empl oyee-04	M	07/01/62	01/01/02	45,000	45	6	23	62	225	0.50	2,700	6.00	1,350	3.00	0	0.00	0	0.00	0	0.00	4,275	9.50						
Age 45 empl oyee-05	M	07/01/62	01/01/02	45,000	45	6	23	62	225	0.50	2,700	6.00	1,350	3.00	0	0.00	0	0.00	0	0.00	4,275	9.50						
Age 45 empl oyee-06	M	07/01/62	01/01/02	45,000	45	6	23	62	225	0.50	2,700	6.00	1,350	3.00	0	0.00	0	0.00	0	0.00	4,275	9.50						
Age 50 empl oyee-01	M	07/01/57	01/01/06	50,000	50	2	14	62	250	0.50	3,000	6.00	1,500	3.00	0	0.00	0	0.00	0	0.00	4,750	9.50						
Age 50 empl oyee-02	M	07/01/57	01/01/02	50,000	50	6	18	62	250	0.50	3,000	6.00	1,500	3.00	0	0.00	0	0.00	0	0.00	4,750	9.50						

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- Gateway test for Cash Balance Plan Cross-testing is met by Profit Sharing Plan + Cash Balance Plan (generally at least 7.5% allocation, but may be lower).
- Total contribution (Cash Balance Plan PLUS Profit Sharing Plan) is less than the 25% of Covered Payroll total deductibility limit OR Profit Sharing Plan is less than 6% of Covered Payroll deductibility limit.

EMPLOYEE NAME	SEX	DATE OF BIRTH	DATE OF HI RE	PLAN CONSIDERED	CASH BALANCE HYPOTHETICAL ALLOCATION		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 50 employee-03	M	07/01/57	01/01/02	50,000	50	6	18	62	250	0.50	3,000	6.00	1,500	3.00	0	0.00	4,750	9.50
Age 50 employee-04	M	07/01/57	01/01/02	50,000	50	6	18	62	250	0.50	3,000	6.00	1,500	3.00	0	0.00	4,750	9.50
Age 50 employee-05	M	07/01/57	01/01/02	50,000	50	6	18	62	250	0.50	3,000	6.00	1,500	3.00	0	0.00	4,750	9.50
Age 55 employee-01	M	07/01/52	01/01/06	55,000	55	2	9	62	275	0.50	3,300	6.00	1,650	3.00	0	0.00	5,225	9.50
Age 55 employee-02	M	07/01/52	01/01/02	55,000	55	6	13	62	275	0.50	3,300	6.00	1,650	3.00	0	0.00	5,225	9.50
Age 55 employee-03	M	07/01/52	01/01/02	55,000	55	6	13	62	275	0.50	3,300	6.00	1,650	3.00	0	0.00	5,225	9.50
Age 55 employee-04	M	07/01/52	01/01/02	55,000	55	6	13	62	275	0.50	3,300	6.00	1,650	3.00	0	0.00	5,225	9.50
Age 55 employee-05	M	07/01/52	01/01/02	55,000	55	6	13	62	275	0.50	3,300	6.00	1,650	3.00	0	0.00	5,225	9.50
Age 60 employee-01	M	07/01/47	01/01/02	60,000	60	6	8	63	300	0.50	3,600	6.00	1,800	3.00	0	0.00	5,700	9.50
Age 60 employee-02	M	07/01/47	01/01/02	60,000	60	6	8	63	300	0.50	3,600	6.00	1,800	3.00	0	0.00	5,700	9.50
Age 60 employee-03	M	07/01/47	01/01/02	60,000	60	6	8	63	300	0.50	3,600	6.00	1,800	3.00	0	0.00	5,700	9.50
Age 60 employee-04	M	07/01/47	01/01/02	60,000	60	6	8	63	300	0.50	3,600	6.00	1,800	3.00	0	0.00	5,700	9.50
Age 60 employee-05	M	07/01/47	01/01/02	60,000	60	6	8	63	300	0.50	3,600	6.00	1,800	3.00	0	0.00	5,700	9.50
Age 65 employee-01	M	07/01/42	01/01/02	65,000	65	6	8	68	325	0.50	3,900	6.00	1,950	3.00	0	0.00	6,175	9.50
Age 65 employee-02	M	07/01/42	01/01/02	65,000	65	6	8	68	325	0.50	3,900	6.00	1,950	3.00	0	0.00	6,175	9.50
Age 65 employee-03	M	07/01/42	01/01/02	65,000	65	6	8	68	325	0.50	3,900	6.00	1,950	3.00	0	0.00	6,175	9.50
TOTALS:				2,315,000					67,445		148,150		69,450		15,500		0	300,545

404 Deductibility Limit is satisfied if either:

1. Cash Balance Plan + Profit Sharing + Safe Harbor <= 25% of Covered Payroll:

$$( 67,445 + 148,150 + 69,450 ) = 285,045 <= 578,750$$

OR 2. Profit Sharing + Safe Harbor <= 6% of Covered Payroll:

$$( 148,150 + 69,450 ) = 217,600 <= 138,900$$

NOTE: Cash Balance Plan is Cross-Tested with 401(k) Plan, so 401(k) Plan is REQUIRED, not optional.