

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)	CONTRI B. AS % OF COMP.	CONTRI B. AS % OF TOTAL
										ANNUAL BENEFIT AT RET.	LUMP SUM AT RET.	ANNUAL BEN. AS OF EOY	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	46.73	
Age 55 employee-01		M	07/01/52	01/01/06	55,000	55	1	11	65	19,360	261,330	3,520	30,628	20,777	37.78	20.64	
Age 60 employee-01		M	07/01/47	01/01/06	60,000	60	1	7	65	13,440	181,419	3,840	42,644	32,833	54.72	32.62	
TOTALS:					340,000								145,591	100,646		99.99	

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	SEX	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 55 employee-01	M	07/01/52	01/01/06	55,000	55	1	11	65	20,777	37.78	1,650	3.00	1,650	3.00	0	0.00	0	0.00	24,077	43.78
Age 60 employee-01	M	07/01/47	01/01/06	60,000	60	1	7	65	32,833	54.72	1,800	3.00	1,800	3.00	0	0.00	0	0.00	36,433	60.72
TOTALS:				340,000					100,646		10,200		10,200		15,500		0		136,546	

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:  
( 10,200 + 10,200 ) = 20,400 <= 20,400