

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

FORMULA: BASE PERCENTAGE: 86.957%, 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		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	PRESENT VALUE OF ACCD. BEN.			
Age 45 owner-1		M	07/01/62	01/01/02	225,000	45	5	23	62	180,000	2,571,426	18,000	98,359	99,511	44.23	90.00
Age 25 employee-01		M	07/01/82	01/01/06	25,000	25	1	39	62	21,739	310,560	1,115	2,794	3,055	12.22	2.76
Age 25 employee-02		M	07/01/82	01/01/06	25,000	25	1	39	62	21,739	310,560	1,115	2,794	3,055	12.22	2.76
Age 30 employee-01		M	07/01/77	01/01/06	30,000	30	1	34	62	26,087	372,673	1,535	4,836	4,950	16.50	4.48
TOTALS:					305,000								108,783	110,572		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	%	AMOUNT
Age 45 owner-1	M	07/01/62	01/01/02	225,000	45	5	23	62	99,511	44.23	6,750	3.00	6,750	3.00	15,500	6.89	0	0.00	128,511	57.12
Age 25 employee-01	M	07/01/82	01/01/06	25,000	25	1	39	62	3,055	12.22	750	3.00	750	3.00	0	0.00	0	0.00	4,555	18.22
Age 25 employee-02	M	07/01/82	01/01/06	25,000	25	1	39	62	3,055	12.22	750	3.00	750	3.00	0	0.00	0	0.00	4,555	18.22
Age 30 employee-01	M	07/01/77	01/01/06	30,000	30	1	34	62	4,950	16.50	900	3.00	900	3.00	0	0.00	0	0.00	6,750	22.50
TOTALS:				305,000					110,572		9,150		9,150		15,500		0		144,372	

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