

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

Cash Balance Plan PLUS OPTIONAL Profit Sharing Plan WITH 401(k) Deferrals permitted.

- Top-Heavy Minimum Benefit requirement is met in Cash Balance Plan.
- Safe-Harbor 401(k) ADP test is met in Profit Sharing Plan (Non-Elective Safe Harbor contribution at least 3% allocation).
- 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 65 owner-1	M	07/01/42	01/01/02	225,000	65	6	10	70	203,639	90.51	6,750	3.00	6,750	3.00	15,500	6.89	5,000	2.22	237,639	105.62								
Age 30 employee-01	M	07/01/77	01/01/06	30,000	30	2	37	65	9,000	30.00	900	3.00	900	3.00	0	0.00	0	0.00	10,800	36.00								
Age 35 employee-01	M	07/01/72	01/01/06	35,000	35	2	32	65	10,500	30.00	1,050	3.00	1,050	3.00	0	0.00	0	0.00	12,600	36.00								
Age 35 employee-02	M	07/01/72	01/01/06	35,000	35	2	32	65	10,500	30.00	1,050	3.00	1,050	3.00	0	0.00	0	0.00	12,600	36.00								
Age 35 employee-03	M	07/01/72	01/01/06	35,000	35	2	32	65	10,500	30.00	1,050	3.00	1,050	3.00	0	0.00	0	0.00	12,600	36.00								
Age 40 employee-01	M	07/01/67	01/01/06	40,000	40	2	27	65	12,000	30.00	1,200	3.00	1,200	3.00	0	0.00	0	0.00	14,400	36.00								
Age 40 employee-02	M	07/01/67	01/01/06	40,000	40	2	27	65	12,000	30.00	1,200	3.00	1,200	3.00	0	0.00	0	0.00	14,400	36.00								
Age 40 employee-03	M	07/01/67	01/01/06	40,000	40	2	27	65	12,000	30.00	1,200	3.00	1,200	3.00	0	0.00	0	0.00	14,400	36.00								
Age 45 employee-01	M	07/01/62	01/01/06	45,000	45	2	22	65	13,500	30.00	1,350	3.00	1,350	3.00	0	0.00	0	0.00	16,200	36.00								
Age 45 employee-02	M	07/01/62	01/01/06	45,000	45	2	22	65	13,500	30.00	1,350	3.00	1,350	3.00	0	0.00	0	0.00	16,200	36.00								
Age 50 employee-01	M	07/01/57	01/01/06	50,000	50	2	17	65	15,000	30.00	1,500	3.00	1,500	3.00	0	0.00	0	0.00	18,000	36.00								
TOTALS:				620,000					322,139		18,600		18,600		15,500		5,000		379,839									

404 Deductibility Limit is satisfied if either:

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

$$(322,139 + 18,600 + 18,600) = 359,339 <= 155,000$$

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

$$(18,600 + 18,600) = 37,200 <= 37,200$$

NOTE: Cash Balance Plan is NOT Cross-Tested with 401(k) Plan, so 401(k) Plan is OPTIONAL, not required.