

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

FORMULA: BASE PERCENTAGE: 143.253%, 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	OF EOY				
Age 65 owner-1		M	07/01/42	01/01/02	225,000	65	5	10	70	128,928	1,550,512	25,786	212,987	280,603	124.71	65.24	
Age 30 employee-01		M	07/01/77	01/01/06	30,000	30	1	37	65	30,000	404,954	2,323	5,969	4,484	14.95	1.04	
Age 35 employee-01		M	07/01/72	01/01/06	35,000	35	1	32	65	35,000	472,447	3,134	10,277	7,111	20.32	1.65	
Age 50 employee-01		M	07/01/57	01/01/06	50,000	50	1	17	65	48,706	657,457	5,730	39,066	30,468	60.94	7.08	
Age 60 employee-01		M	07/01/47	01/01/06	60,000	60	1	7	65	24,066	324,861	6,876	76,361	58,792	97.99	13.67	
Age 65 employee-01		M	07/01/42	01/01/06	65,000	65	1	6	70	22,347	268,755	7,449	73,702	48,638	74.83	11.31	
TOTALS:					465,000								418,362	430,095		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	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 65 owner-1	M	07/01/42	01/01/02	225,000	65	5	10	70	280,603	124.71	6,750	3.00	6,750	3.00	15,500	6.89	5,000	2.22	314,603	139.82
Age 30 employee-01	M	07/01/77	01/01/06	30,000	30	1	37	65	4,484	14.95	900	3.00	900	3.00	0	0.00	0	0.00	6,284	20.95
Age 35 employee-01	M	07/01/72	01/01/06	35,000	35	1	32	65	7,111	20.32	1,050	3.00	1,050	3.00	0	0.00	0	0.00	9,211	26.32
Age 50 employee-01	M	07/01/57	01/01/06	50,000	50	1	17	65	30,468	60.94	1,500	3.00	1,500	3.00	0	0.00	0	0.00	33,468	66.94
Age 60 employee-01	M	07/01/47	01/01/06	60,000	60	1	7	65	58,792	97.99	1,800	3.00	1,800	3.00	0	0.00	0	0.00	62,392	103.99
Age 65 employee-01	M	07/01/42	01/01/06	65,000	65	1	6	70	48,638	74.83	1,950	3.00	1,950	3.00	0	0.00	0	0.00	52,538	80.83
TOTALS:				465,000					430,095		13,950		13,950		15,500		5,000		478,495	

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:
(13,950 + 13,950) = 27,900 <= 27,900