

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	AS				
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	82.64	
Age 45 employee-01		M	07/01/62	01/01/06	45,000	45	1	22	65	45,000	607,431	5,157	27,548	18,370	40.82	5.41	
Age 55 employee-01		M	07/01/52	01/01/06	55,000	55	1	12	65	37,819	510,495	6,303	54,845	40,587	73.79	11.95	
TOTALS:					325,000								295,380	339,559		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	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 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 45 employee-01	M	07/01/62	01/01/06	45,000	45	1	22	65	18,370	40.82	1,350	3.00	1,350	3.00	0	0.00	0	0.00	21,070	46.82	
Age 55 employee-01	M	07/01/52	01/01/06	55,000	55	1	12	65	40,587	73.79	1,650	3.00	1,650	3.00	0	0.00	0	0.00	43,887	79.79	
TOTALS:					325,000					339,559		9,750		9,750		15,500		5,000		379,559	

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:
(9,750 + 9,750) = 19,500 <= 19,500