

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) | CONTRIB. AS % OF COMP. | CONTRIB. AS % OF TOTAL |
|---------------------|------------------------|-----|---------------|---------------|--------------|-----|----|----|----|------------------------|------------------|-----------------------|---------|-----------------------------|-----------------------------------|------------------------|------------------------|
| | | | | | | | | | | ANNUAL BENEFIT AT RET. | LUMP SUM AT RET. | ANNUAL BEN. AS OF EOY | BEN. 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 | 53.58 | |
| Age 25 empl oyee-01 | | M | 07/01/82 | 01/01/06 | 25,000 | 25 | 1 | 39 | 62 | 20,000 | 285,713 | 1,026 | 2,570 | 2,811 | 11.24 | 3.20 | |
| Age 25 empl oyee-02 | | M | 07/01/82 | 01/01/06 | 25,000 | 25 | 1 | 39 | 62 | 20,000 | 285,713 | 1,026 | 2,570 | 2,811 | 11.24 | 3.20 | |
| Age 30 empl oyee-01 | | M | 07/01/77 | 01/01/06 | 30,000 | 30 | 1 | 34 | 62 | 24,000 | 342,857 | 1,412 | 4,449 | 4,553 | 15.18 | 5.19 | |
| Age 30 empl oyee-02 | | M | 07/01/77 | 01/01/06 | 30,000 | 30 | 1 | 34 | 62 | 24,000 | 342,857 | 1,412 | 4,449 | 4,553 | 15.18 | 5.19 | |
| Age 35 empl oyee-01 | | M | 07/01/72 | 01/01/06 | 35,000 | 35 | 1 | 29 | 62 | 28,000 | 400,001 | 1,931 | 7,758 | 7,316 | 20.90 | 8.33 | |
| Age 35 empl oyee-02 | | M | 07/01/72 | 01/01/06 | 35,000 | 35 | 1 | 29 | 62 | 28,000 | 400,001 | 1,931 | 7,758 | 7,316 | 20.90 | 8.33 | |
| Age 40 empl oyee-01 | | M | 07/01/67 | 01/01/06 | 40,000 | 40 | 1 | 24 | 62 | 30,720 | 438,857 | 2,560 | 13,127 | 11,398 | 28.49 | 12.98 | |
| TOTALS: | | | | | 445,000 | | | | | | | | 115,000 | 87,794 | | 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 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 25 empl oyee-01 | M | 07/01/82 | 01/01/06 | 25,000 | 25 | 1 | 39 | 62 | 2,811 | 11.24 | 750 | 3.00 | 750 | 3.00 | 0 | 0.00 | 0 | 0.00 | 4,311 | 17.24 |
| Age 25 empl oyee-02 | M | 07/01/82 | 01/01/06 | 25,000 | 25 | 1 | 39 | 62 | 2,811 | 11.24 | 750 | 3.00 | 750 | 3.00 | 0 | 0.00 | 0 | 0.00 | 4,311 | 17.24 |
| Age 30 empl oyee-01 | M | 07/01/77 | 01/01/06 | 30,000 | 30 | 1 | 34 | 62 | 4,553 | 15.18 | 900 | 3.00 | 900 | 3.00 | 0 | 0.00 | 0 | 0.00 | 6,353 | 21.18 |
| Age 30 empl oyee-02 | M | 07/01/77 | 01/01/06 | 30,000 | 30 | 1 | 34 | 62 | 4,553 | 15.18 | 900 | 3.00 | 900 | 3.00 | 0 | 0.00 | 0 | 0.00 | 6,353 | 21.18 |
| Age 35 empl oyee-01 | M | 07/01/72 | 01/01/06 | 35,000 | 35 | 1 | 29 | 62 | 7,316 | 20.90 | 1,050 | 3.00 | 1,050 | 3.00 | 0 | 0.00 | 0 | 0.00 | 9,416 | 26.90 |
| Age 35 empl oyee-02 | M | 07/01/72 | 01/01/06 | 35,000 | 35 | 1 | 29 | 62 | 7,316 | 20.90 | 1,050 | 3.00 | 1,050 | 3.00 | 0 | 0.00 | 0 | 0.00 | 9,416 | 26.90 |
| Age 40 empl oyee-01 | M | 07/01/67 | 01/01/06 | 40,000 | 40 | 1 | 24 | 62 | 11,398 | 28.49 | 1,200 | 3.00 | 1,200 | 3.00 | 0 | 0.00 | 0 | 0.00 | 13,798 | 34.49 |
| TOTALS: | | | | 445,000 | | | | | 87,794 | | 13,350 | | 13,350 | | 15,500 | | 0 | | 129,994 | |

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:
(13,350 + 13,350) = 26,700 <= 26,700