

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 35 owner-1	M	07/01/72	01/01/02	225,000	35	6	33	62	56,995	25.33	6,750	3.00	6,750	3.00	15,500	6.89	0	0.00	85,995	38.22								
Age 30 employee-01	M	07/01/77	01/01/06	30,000	30	2	34	62	1,597	5.32	900	3.00	900	3.00	0	0.00	0	0.00	3,397	11.32								
Age 35 employee-01	M	07/01/72	01/01/06	35,000	35	2	29	62	2,377	6.79	1,050	3.00	1,050	3.00	0	0.00	0	0.00	4,477	12.79								
Age 50 employee-01	M	07/01/57	01/01/06	50,000	50	2	14	62	7,060	14.12	1,500	3.00	1,500	3.00	0	0.00	0	0.00	10,060	20.12								
Age 60 employee-01	M	07/01/47	01/01/06	60,000	60	2	4	63	12,841	21.40	1,800	3.00	1,800	3.00	0	0.00	0	0.00	16,441	27.40								
Age 65 employee-01	M	07/01/42	01/01/06	65,000	65	2	4	68	12,224	18.81	1,950	3.00	1,950	3.00	0	0.00	0	0.00	16,124	24.81								
TOTALS:				465,000				93,094		13,950		13,950		15,500		0		136,494										

404 Deductibility Limit is satisfied if either:

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

$$(93,094 + 13,950 + 13,950) = 120,994 <= 116,250$$

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

$$(13,950 + 13,950) = 27,900 <= 27,900$$

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