

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)	CONTRI B. AS % OF COMP.	CONTRI B. AS % OF TOTAL
										ANNUAL BENEFIT AT RET.	LUMP SUM AT RET.	ANNUAL BEN. AS OF EOY					
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	47,035	20.90	67.70	
Age 35 employee-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	10.53	
Age 45 employee-01		M	07/01/62	01/01/06	45,000	45	1	19	62	27,360	390,857	2,880	18,848	15,126	33.61	21.77	
TOTALS:					305,000								98,925	69,478		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	47,035	20.90	6,750	3.00	6,750	3.00	15,500	6.89	0	0.00	76,035	33.79
Age 35 employee-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 45 employee-01	M	07/01/62	01/01/06	45,000	45	1	19	62	15,126	33.61	1,350	3.00	1,350	3.00	0	0.00	0	0.00	17,826	39.61
TOTALS:				305,000					69,478		9,150		9,150		15,500		0		103,278	

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:
(9,150 + 9,150) = 18,300 <= 18,300