

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

FORMULA: BASE PERCENTAGE: 123.077%, 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		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	PRESENT VALUE OF ACCD. BEN.			
Age 55 owner-1		M	07/01/52	01/01/02	225,000	55	5	13	62	144,000	2,057,140	18,000	161,783	252,657	112.29	60.89
Age 40 employee-01		M	07/01/67	01/01/06	40,000	40	1	24	62	40,000	571,427	3,938	20,195	14,841	37.10	3.58
Age 45 employee-01		M	07/01/62	01/01/06	45,000	45	1	19	62	42,092	601,318	4,431	28,997	23,270	51.71	5.61
Age 50 employee-01		M	07/01/57	01/01/06	50,000	50	1	14	62	34,462	492,308	4,923	41,121	30,930	61.86	7.45
Age 55 employee-01		M	07/01/52	01/01/06	55,000	55	1	9	62	24,369	348,132	5,415	57,729	42,757	77.74	10.30
Age 60 employee-01		M	07/01/47	01/01/06	60,000	60	1	7	65	20,677	279,107	5,908	65,607	50,511	84.19	12.17
TOTALS:					475,000								375,432	414,966		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	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 55 owner-1	M	07/01/52	01/01/02	225,000	55	5	13	62	252,657	112.29	6,750	3.00	6,750	3.00	15,500	6.89	5,000	2.22	286,657	127.40
Age 40 employee-01	M	07/01/67	01/01/06	40,000	40	1	24	62	14,841	37.10	1,200	3.00	1,200	3.00	0	0.00	0	0.00	17,241	43.10
Age 45 employee-01	M	07/01/62	01/01/06	45,000	45	1	19	62	23,270	51.71	1,350	3.00	1,350	3.00	0	0.00	0	0.00	25,970	57.71
Age 50 employee-01	M	07/01/57	01/01/06	50,000	50	1	14	62	30,930	61.86	1,500	3.00	1,500	3.00	0	0.00	0	0.00	33,930	67.86
Age 55 employee-01	M	07/01/52	01/01/06	55,000	55	1	9	62	42,757	77.74	1,650	3.00	1,650	3.00	0	0.00	0	0.00	46,057	83.74
Age 60 employee-01	M	07/01/47	01/01/06	60,000	60	1	7	65	50,511	84.19	1,800	3.00	1,800	3.00	0	0.00	0	0.00	54,111	90.19
TOTALS:				475,000					414,966		14,250		14,250		15,500		5,000		463,966	

404 Deductibility Limit is satisfied if Profit Sharing + Safe Harbor <= 6% of Covered Payroll:
(14,250 + 14,250) = 28,500 <= 28,500