

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

Three Digit Plan Number: 001

Prepared By: Lar Pensions, LLC

Plan Provisions

Abc Corporation Straight Defined Benefit For the plan year 1/1/2010 through 12/31/2010

<u>Employer:</u>	Abc Corporation Straight Defined Benefit		
	Type of Entity -	S-Corporation	
	EIN:	TIN:	Plan #: 001
<u>Dates:</u>	Effective - 1/1/2010	Year end - 12/31/2010	Valuation - 12/31/2010
<u>Eligibility:</u>	All employees excluding non-resident aliens, members of an excluded class and union		
	Minimum age - 21	Months of service - 12	
	Hours Required for - Eligibility - 1000	Benefit accrual - 1000	Vesting - 1000
	Plan Entry - Anniversary date nearest eligibility satisfaction		
<u>Retirement:</u>	Normal -	First of month coincident with or next following attainment of age 65 and completion of 5 years of participation	
	Early -	Not provided	
<u>Average Compensation:</u>	Highest 3 consecutive years of service		
	Top Heavy Minimum Benefit -	Highest 5 consecutive top heavy years of participation	
<u>Plan Benefits:</u>	Retirement -	Derived from the unit credit benefit formula below:	
		8% of average monthly compensation per year of participation beginning year 1 limited to 10 year(s)	
	Accrued Benefit -	Unit credit based on participation	
		Minimum Benefit - None	
		Maximum Benefit - None	
		Maximum allowable distribution is lump sum equivalent of normal form not to exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) the greater of plan actuarial equivalence interest and mortality or 417(e) Minimum	
	Death Benefit -	Present Value of Accrued Benefit	
<u>Top Heavy Minimum:</u>	None		
<u>IRS Limitations:</u>	415 Limits -	Percent: 100	Dollar: \$195,000
	Maximum 401(a)(17) compensation - \$245,000		
<u>Normal Form:</u>	Life Annuity		
<u>Optional Forms:</u>	Lump Sum		
	Life Annuity Guaranteed for 10 Years		
	Joint with 50%, 75% or 100% Survivor Benefit		
<u>Vesting Schedule:</u>	Years	Percent	
	0-1	0%	
	2	20%	
	3	40%	
	4	60%	
	5	80%	
	6	100%	
	Service is calculated using all years of service		

Plan Provisions

Abc Corporation Straight Defined Benefit For the plan year 1/1/2010 through 12/31/2010

Present Value of Accrued Benefit: Based on the greater of 417(e) or Actuarial Equivalence

417(e):

Interest Rates -

Segment #	Years	Rate %
Segment 1	0 - 5	3.21
Segment 2	6 - 20	5.19
Segment 3	> 20	5.67

Mortality Table - 10E - 2010 Applicable Mortality Table for 417(e) (unisex)

Actuarial Equivalence:

Pre-Retirement - Interest - 5.5%

Mortality Table - None

Post-Retirement - Interest - 5.5%

Mortality Table - G94 - 1994 Group Annuity Reserving Proj 2002, Scale AA (unisex)

Employee Census

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

Key	Percent Owner	- SVC -		Gender	— Ages —			— Dates —				Compensation	Hours Worked	HCE	OEX	
		PS	FS		PA	AA	ARA	Birth	Hire	Part	Retire					
1 Jones Joe -- new participant																
Y	50.00	1	9	M	55	56	65	01/01/55	01/01/08	01/01/10	01/01/20	\$250,000.00		*	Y	
2 William Robert -- new participant																
Y	50.00	1	14	M	50	51	65	01/01/60	01/01/08	01/01/10	01/01/25	\$250,000.00		*	Y	
3 Reynolds Samantha -- new participant																
		1	19	F	45	46	65	01/01/65	01/01/08	01/01/10	01/01/30	\$118,000.00		*	Y	
4 Miller Anne -- new participant																
		1	24	F	40	41	65	01/01/70	01/01/08	01/01/10	01/01/35	\$75,000.00		*		
5 James Jimmy -- new participant																
		1	39	M	25	26	65	01/01/85	01/01/08	01/01/10	01/01/50	\$35,000.00		*		
Total:											\$728,000.00					

	Count	Compensation
Active Fully Vested Benefits	0	\$0
Active Partially Vested Benefits	5	\$728,000
Active Without Vested Benefits	0	\$0
Terminated with Vested Benefits	0	\$0
Terminated without Vested Benefits	0	\$0
Terminated with Deferred Vested Benefits	0	\$0
Terminated - Paid Out	0	\$0
Currently Receiving Benefits	0	\$0
Inactives	0	\$0
Ineligibles	0	\$0

* Employee worked more than minimum hours required for service credit.

Key:	
AA=Attained Age	PA=Participation Age
FS=Future Service	PS=Past Service
HCE=Highly Compensated Employee	ARA=Assumed Retirement Age
OEX=Otherwise Excludable	

Schedule of Benefits

Abc Corporation Straight Defined Benefit **For the plan year 1/1/2010 through 12/31/2010**

		Current							
Beg Year Acc Ben Monthly Compensation	End Year Acc Ben Monthly Compensation	Monthly Benefit	Lump Sum @ Ret	Accrued Benefit	Vest Pct	Vested Accrued Benefit	Present Value of Vested Accrued Benefit	Death Benefit	
1 Jones Joe -- new participant									
0.00	20,416.67	16,250.00	2,206,087	1,625.00	40	650.00	56,381	136,254	
2 William Robert -- new participant									
0.00	20,416.67	16,250.00	2,206,087	1,625.00	40	650.00	42,406	104,253	
3 Reynolds Samantha -- new participant									
0.00	9,833.33	7,866.66	1,067,972	786.67	40	314.67	15,446	38,616	
4 Miller Anne -- new participant									
0.00	6,250.00	5,000.00	678,796	500.00	40	200.00	7,512	18,779	
5 James Jimmy -- new participant									
0.00	2,916.67	2,333.34	316,772	233.33	40	93.33	1,570	3,925	
Totals:	\$0.00	\$59,833.34	\$47,700.00	\$6,475,714	\$4,770.00	\$1,908.00	\$123,315		

Disclaimer: The PVVABs shown on this report should not be used for distribution purposes.

Valuation Statement

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

Valuation Date: 12/31/2010

	Accrued Benefit	Funding Target	Benefit Increase	Target Normal Cost
1 Jones Joe -- new participant	0.00	0	1,625.00	128,382
2 William Robert -- new participant	0.00	0	1,625.00	95,034
3 Reynolds Samantha -- new participant	0.00	0	786.67	34,056
4 Miller Anne -- new participant	0.00	0	500.00	14,874
5 James Jimmy -- new participant	0.00	0	233.33	2,687
Totals:	\$0.00	\$0	\$4,770.00	\$275,033

Maximum Contribution 404(o)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

Valuation Date: 12/31/2010

Maximum Contribution

1) Funding Target	0
2) Target Normal Cost	275,033
3) 50% of the Funding Target	0
4) Increase in Funding Target Due to Salary Increases	0
5) Cushion Amount (3+4)	0
6) Total (1+2+5)	275,033
7) Funding Target as if At-Risk	0
8) Target Normal Cost as if At-Risk	289,388
9) Total (7+8)	289,388
10) Greater of 6 and 9	289,388
11) Assets	0
12) Undeducted Contributions	0
13) Maximum Contribution (IRC 404(o) (10-(11-12)))	289,388

TOP HEAVY TEST

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

The Plan is Top Heavy For this Plan Year and Next Plan Year

Employee Classification	Employees Considered	Account Balance	Receivable	Excluded Balance	Prior Distributions	Adjusted Balance	Percent of Total
Key Employees:	2	240,507.00	0.00	0.00	0.00	240,507.00	79.68%
Non-Key Employees:	3	61,320.00	0.00	0.00	0.00	61,320.00	20.32%
Employees Total:	5	\$301,827.00	\$0.00	\$0.00	\$0.00	\$301,827.00	100%

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

Passed 401(a)(4) General
Non-Discrimination Test

A Rate Group passes if the Ratio Percent is 70% or more, or if the plan passes the Average Benefit Percentage Test and the Rate Group's Ratio Percentage is greater than or equal to the mid-point between the Safe and Unsafe Harbor Percentages.

Average Benefit Percentage Test	-	Passed
NHCE's Concentration Percent	-	40.00%
Safe Harbor Percent	-	50.00%
Mid-Point	-	45.00%
Unsafe Harbor Percent	-	40.00%

All Together

Passed Method: Annual without Permitted Disparity

Rate Group	Norm Rate	MVAR	— Non-Highly Compensated Employees —			— Highly Compensated Employees —			Ratio Percent	Pass/Fail
			Number Greater or Equal	Total	Percent in this Group	Number Greater or Equal	Total	Percent in this Group		
1	8.00	13.38	2	2	100	1	3	33.33	300.03	Pass
2	8.00	11.70	2	2	100	2	3	66.67	149.99	Pass
3	8.00	10.25	2	2	100	3	3	100	100	Pass

Passed Method: Annual with Permitted Disparity

Rate Group	Norm Rate	MVAR	— Non-Highly Compensated Employees —			— Highly Compensated Employees —			Ratio Percent	Pass/Fail
			Number Greater or Equal	Total	Percent in this Group	Number Greater or Equal	Total	Percent in this Group		
1	8.55	13.93	2	2	100	1	3	33.33	300.03	Pass
2	8.25	11.95	2	2	100	2	3	66.67	149.99	Pass
3	8.23	10.48	2	2	100	3	3	100	100	Pass

Passed Method: Accrued-to-Date without Permitted Disparity

Rate Group	Norm Rate	MVAR	— Non-Highly Compensated Employees —			— Highly Compensated Employees —			Ratio Percent	Pass/Fail
			Number Greater or Equal	Total	Percent in this Group	Number Greater or Equal	Total	Percent in this Group		
1	8.00	13.38	2	2	100	1	3	33.33	300.03	Pass
2	8.00	11.70	2	2	100	2	3	66.67	149.99	Pass
3	8.00	10.25	2	2	100	3	3	100	100	Pass

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

Passed Method: Accrued-to-Date with Permitted Disparity

Rate Group	Norm Rate	MVAR	— Non-Highly Compensated Employees —			— Highly Compensated Employees —			Ratio Percent	Pass/Fail
			Number Greater or Equal	Total	Percent in this Group	Number Greater or Equal	Total	Percent in this Group		
1	8.55	13.93	2	2	100	1	3	33.33	300.03	Pass
2	8.25	11.95	2	2	100	2	3	66.67	149.99	Pass
3	8.23	10.48	2	2	100	3	3	100	100	Pass

Failed Method: Equivalent Allocation without Permitted Disparity

Rate Group	Norm Rate	MVAR	— Non-Highly Compensated Employees —			— Highly Compensated Employees —			Ratio Percent	Pass/Fail
			Number Greater or Equal	Total	Percent in this Group	Number Greater or Equal	Total	Percent in this Group		
1	30.51	39.09	0	2	0	1	3	33.33	0	Fail
2	20.29	29.69	0	2	0	2	3	66.67	0	Fail
3	13.50	22.57	0	2	0	3	3	100	0	Fail

Failed Method: Equivalent Allocation with Permitted Disparity

Rate Group	Norm Rate	MVAR	— Non-Highly Compensated Employees —			— Highly Compensated Employees —			Ratio Percent	Pass/Fail
			Number Greater or Equal	Total	Percent in this Group	Number Greater or Equal	Total	Percent in this Group		
1	33.00	41.57	0	2	0	1	3	33.33	0	Fail
2	22.78	32.17	0	2	0	2	3	66.67	0	Fail
3	18.66	27.73	0	2	0	3	3	100	0	Fail

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

All Together

Passed Method: Annual without Permitted Disparity

	H C E	Rate		Rate	Rate	Rate
		Norm	MVAR	Group 1	Group 2	Group 3
				≥ 13.38	≥ 8.00	≥ 8.00
				≥ 8.00	≥ 11.70	≥ 10.25
3 Reynolds Samantha	Y	8.00	13.38	Y	Y	Y
1 Jones Joe	Y	8.00	10.25	*	*	Y
2 William Robert	Y	8.00	11.70	*	Y	Y
Number of HCE's in group:				1	2	3
Total number of HCE's:				3	3	3
Percent of HCE's				33.33 %	66.67 %	100%
4 Miller Anne		8.00	15.31	Y	Y	Y
5 James Jimmy		8.00	22.96	Y	Y	Y
Number of NHCE's in group:				2	2	2
Total number of NHCE's:				2	2	2
Percent of NHCE's				100%	100%	100%
Ratio percent of NHCE's/HCE's:				300.03 %	149.99 %	100%

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

All Together

Passed Method: Annual with Permitted Disparity

	H C E	Rate		Rate	Rate	Rate
		Norm	MVAR	Group 1	Group 2	Group 3
				≥ 13.93	≥ 8.25	≥ 8.23
				≥ 8.55	≥ 11.95	≥ 10.48
3 Reynolds Samantha	Y	8.55	13.93	Y	Y	Y
1 Jones Joe	Y	8.23	10.48	*	*	Y
2 William Robert	Y	8.25	11.95	*	Y	Y
Number of HCE's in group:				1	2	3
Total number of HCE's:				3	3	3
Percent of HCE's				33.33 %	66.67 %	100%
4 Miller Anne		8.65	15.96	Y	Y	Y
5 James Jimmy		8.65	23.61	Y	Y	Y
Number of NHCE's in group:				2	2	2
Total number of NHCE's:				2	2	2
Percent of NHCE's				100%	100%	100%
Ratio percent of NHCE's/HCE's:				300.03 %	149.99 %	100%

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

All Together

Passed Method: Accrued-to-Date without Permitted Disparity

	H C E	Rate		Rate	Rate	Rate
		Norm	MVAR	Group 1	Group 2	Group 3
				≥ 13.38	≥ 8.00	≥ 8.00
				≥ 8.00	≥ 11.70	≥ 10.25
3 Reynolds Samantha	Y	8.00	13.38	Y	Y	Y
1 Jones Joe	Y	8.00	10.25	*	*	Y
2 William Robert	Y	8.00	11.70	*	Y	Y
Number of HCE's in group:				1	2	3
Total number of HCE's:				3	3	3
Percent of HCE's				33.33 %	66.67 %	100%
4 Miller Anne		8.00	15.31	Y	Y	Y
5 James Jimmy		8.00	22.96	Y	Y	Y
Number of NHCE's in group:				2	2	2
Total number of NHCE's:				2	2	2
Percent of NHCE's				100%	100%	100%
Ratio percent of NHCE's/HCE's:				300.03 %	149.99 %	100%

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

All Together

Passed Method: Accrued-to-Date with Permitted Disparity

	H C E	Rate		Rate	Rate	Rate
		Norm	MVAR	Group 1	Group 2	Group 3
				≥ 13.93	≥ 8.25	≥ 8.23
				≥ 8.55	≥ 11.95	≥ 10.48
3 Reynolds Samantha	Y	8.55	13.93	Y	Y	Y
1 Jones Joe	Y	8.23	10.48	*	*	Y
2 William Robert	Y	8.25	11.95	*	Y	Y
Number of HCE's in group:				1	2	3
Total number of HCE's:				3	3	3
Percent of HCE's				33.33 %	66.67 %	100%
4 Miller Anne		8.65	15.96	Y	Y	Y
5 James Jimmy		8.65	23.61	Y	Y	Y
Number of NHCE's in group:				2	2	2
Total number of NHCE's:				2	2	2
Percent of NHCE's				100%	100%	100%
Ratio percent of NHCE's/HCE's:				300.03 %	149.99 %	100%

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

All Together

Failed Method: DC Allocation without Permitted Disparity

	H C E	Rate		Rate	Rate	Rate
		Norm	MVAR	Group 1	Group 2	Group 3
				≥ 30.51	≥ 20.29	≥ 13.50
				≥ 39.09	≥ 29.69	≥ 22.57
3 Reynolds Samantha	Y	13.50	22.57	*	*	Y
1 Jones Joe	Y	30.51	39.09	Y	Y	Y
2 William Robert	Y	20.29	29.69	*	Y	Y
Number of HCE's in group:				1	2	3
Total number of HCE's:				3	3	3
Percent of HCE's				33.33 %	66.67 %	100%
4 Miller Anne		8.98	17.18	*	*	*
5 James Jimmy		2.64	7.58	*	*	*
Number of NHCE's in group:				0	0	0
Total number of NHCE's:				2	2	2
Percent of NHCE's				0.00 %	0.00 %	0.00 %
Ratio percent of NHCE's/HCE's:				0.00 %	0.00 %	0.00 %

401(a)(4) General Test (Rate Groups)

Abc Corporation Straight Defined Benefit

For the plan year 1/1/2010 through 12/31/2010

All Together

Failed Method: DC Allocation with Permitted Disparity

	H C E	Rate		Rate	Rate	Rate
		Norm	MVAR	Group 1	Group 2	Group 3
				≥ 33.00	≥ 22.78	≥ 18.66
				≥ 41.57	≥ 32.17	≥ 27.73
<hr/>						
3 Reynolds Samantha	Y	18.66	27.73	*	*	Y
1 Jones Joe	Y	33.00	41.57	Y	Y	Y
2 William Robert	Y	22.78	32.17	*	Y	Y
<hr/>						
		Number of HCE's in group:		1	2	3
		Total number of HCE's:		3	3	3
		Percent of HCE's		33.33 %	66.67 %	100%
<hr/>						
4 Miller Anne		14.68	22.88	*	*	*
5 James Jimmy		5.28	13.28	*	*	*
<hr/>						
		Number of NHCE's in group:		0	0	0
		Total number of NHCE's:		2	2	2
		Percent of NHCE's		0.00 %	0.00 %	0.00 %
<hr/>						
		Ratio percent of NHCE's/HCE's:		0.00 %	0.00 %	0.00 %

**Abc Corporation Straight Defined Benefit
Participant Statement**

for

Jones Joe

For the plan year 1/1/2010 through 12/31/2010

Employee Number:	1		
Date of Birth:	01/01/1955	Gender:	M
Date of Employment:	01/01/2008	Attained Age:	56
Date of Participation:	01/01/2010	Retirement Age:	65

Estimated Retirement Benefit as of 1/1/2020:

Your monthly retirement benefit commencing at your retirement date payable for your lifetime is	\$16,250.00
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Accrued Benefit as of 12/31/2010:

Your monthly accrued benefit commencing at your retirement date attributable to employer contribution is	\$1,625.00
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Vested Percent as of 12/31/2010:	40
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Your vested interest of the accrued benefit is	\$650.00
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Prepared by: Lar Pensions, LLC

Abc Corporation Straight Defined Benefit
Participant Statement
for
William Robert
For the plan year 1/1/2010 through 12/31/2010

Employee Number:	2		
Date of Birth:	01/01/1960	Gender:	M
Date of Employment:	01/01/2008	Attained Age:	51
Date of Participation:	01/01/2010	Retirement Age:	65

Estimated Retirement Benefit as of 1/1/2025:
Your monthly retirement benefit commencing at your retirement date payable for your lifetime is \$16,250.00

Accrued Benefit as of 12/31/2010:
Your monthly accrued benefit commencing at your retirement date attributable to employer contribution is \$1,625.00

Vested Percent as of 12/31/2010: 40
Your vested interest of the accrued benefit is \$650.00

Prepared by: Lar Pensions, LLC

The benefits shown above are estimates based on data provided by the Plan Sponsor and are subject to the terms and provisions of the Plan. Contact the Plan Administrator if you have any questions.

Abc Corporation Straight Defined Benefit
Participant Statement
for
Reynolds Samantha
For the plan year 1/1/2010 through 12/31/2010

Employee Number:	3		
Date of Birth:	01/01/1965	Gender:	F
Date of Employment:	01/01/2008	Attained Age:	46
Date of Participation:	01/01/2010	Retirement Age:	65
Estimated Retirement Benefit as of 1/1/2030:			
Your monthly retirement benefit commencing at your retirement date payable for your lifetime is			\$7,866.66
Accrued Benefit as of 12/31/2010:			
Your monthly accrued benefit commencing at your retirement date attributable to employer contribution is			\$786.67
Vested Percent as of 12/31/2010:			40
Your vested interest of the accrued benefit is			\$314.67

Prepared by: Lar Pensions, LLC

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Abc Corporation Straight Defined Benefit
Participant Statement
for
Miller Anne
For the plan year 1/1/2010 through 12/31/2010

Employee Number:	4		
Date of Birth:	01/01/1970	Gender:	F
Date of Employment:	01/01/2008	Attained Age:	41
Date of Participation:	01/01/2010	Retirement Age:	65
Estimated Retirement Benefit as of 1/1/2035:			
Your monthly retirement benefit commencing at your retirement date payable for your lifetime is			\$5,000.00
Accrued Benefit as of 12/31/2010:			
Your monthly accrued benefit commencing at your retirement date attributable to employer contribution is			\$500.00
Vested Percent as of 12/31/2010:			40
Your vested interest of the accrued benefit is			\$200.00

Prepared by: Lar Pensions, LLC

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Abc Corporation Straight Defined Benefit
Participant Statement
for
James Jimmy
For the plan year 1/1/2010 through 12/31/2010

Employee Number:	5		
Date of Birth:	01/01/1985	Gender:	M
Date of Employment:	01/01/2008	Attained Age:	26
Date of Participation:	01/01/2010	Retirement Age:	65

Estimated Retirement Benefit as of 1/1/2050:

Your monthly retirement benefit commencing at your retirement date payable for your lifetime is	\$2,333.34
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Accrued Benefit as of 12/31/2010:

Your monthly accrued benefit commencing at your retirement date attributable to employer contribution is	\$233.33
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Vested Percent as of 12/31/2010:	40
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Your vested interest of the accrued benefit is	\$93.33
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