

# QUALIFIED PLAN DESIGN

FOR

## **Salmon Enterprises Inc.**

252 Wall St  
Belmar, NJ 07719

## **PREPARED BY:**

Plan Designer Corp  
12345 Spring Street  
Denver, CO 97874

DATE PREPARED: 02/07/2018



# **BLAZE SSI**

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**EMPLOYEE CENSUS**

Employee Name	Owner%	Sex	Dates		Annual Compensation	KHP
			Birth	Hire		
Salmon, C	100.0%	M	01/21/1970	01/01/2000	372,380	KHP
Trout, B		F	09/16/1989	12/01/2010	70,000	
Trout, R		M	12/02/1992	12/01/2015	60,000	
Bass, S		M	02/02/1997	07/14/2016	50,000	
Total					552,380	
Preferred Total					372,380	P
Preferred %Total					67%	P

K indicates an IRC416 Key employee

H indicates an IRC414 Highly Compensated employee

P indicates a preferred employee

IRC401(a)(17) limits the compensation which may be considered under a qualified plan.

Anticipated Beginning of Plan Year: 01/01/2018

Client Business Type: Partnership/Sole Proprietor

Schedule C Earnings: 400,000.00

#	Design Description	Budget
1	Defined Benefit Cash Balance Plan	70,000.00
2	Profit Sharing Traditional Plan	70,000.00
3	Profit Sharing Two-Group New Comparability Plan	70,000.00
4	SIMPLE 401(k)	70,000.00

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**COMPARISON OF PLAN DESIGN FEATURES**

A retirement plan provides benefits for participating employees. Retirement plans are an investment for financial security at retirement. In addition, plan benefits are generally not taxed until they are distributed. A qualified retirement plan requires a legal plan trust document and must satisfy applicable Federal government rules each year of the plan.

Here are the features provided by each of the illustrated plan designs, which have an anticipated plan effective date of 01/01/2018:

**Design Description: Defined Benefit Cash Balance Plan**

This is a defined benefit plan design, which provides predictable retirement income for plan participants unaffected by fluctuations in plan investment returns. The plan sponsor makes actuarially-determined annual contributions to the plan trust and selects the plan's investment manager. A defined benefit plan represents an on-going commitment of the plan sponsor to make contributions to the plan trust necessary to provide the benefit promised to plan participants.

Benefits under a cash balance plan are based on theoretical annual contributions on behalf of plan participants which accumulate at a theoretical rate to account balances at retirement.

**Design Description: Profit Sharing Traditional Plan**

This is a defined contribution profit sharing design in which the plan sponsor's discretionary contribution is determined annually. The plan will also specify the method which allocates contributions to participant's individual accounts. The accumulated value of the participant's account, including future contribution allocations and investment results, are available at retirement to provide plan benefits. The plan can provide for participant-level investment direction.

The profit sharing allocation is based on a salary ratio method which is integrated with Social Security. The plan sponsor's annual contribution to the plan is discretionary. It can be any amount up to the maximum deductible amount under government rules or zero in any year.

This plan includes a provision for IRC401(k) employee-elective compensation deferrals. The plan design includes a qualified non-elective contribution for non-highly compensated plan participants of 3.00% of pay as a 'safe harbor' method of satisfying the non-discrimination requirements of IRC401(k).

**Design Description: Profit Sharing Two-Group New Comparability Plan**

This is a defined contribution profit sharing design in which the plan sponsor's discretionary contribution is determined annually. The plan will also specify the method which allocates contributions to participant's individual accounts. The accumulated value of the participant's account, including future contribution allocations and investment results, are available at retirement to provide plan benefits. The plan can provide for participant-level investment direction.

The plan sponsor profit sharing contribution is allocated to members of specified employee groups. The allocation to each employee group is determined so that the IRC401(a) non-discrimination rules on a benefit or contribution basis are satisfied. The membership in the plan sponsor specified employee groups must be non-discriminatory. The plan sponsor's annual contribution to the plan is discretionary. It can be any amount up to the maximum deductible amount under government rules or zero in any year.

This plan includes a provision for IRC401(k) employee-elective compensation deferrals. The plan design includes a qualified non-elective contribution for non-highly compensated plan participants of 3.00% of pay as a 'safe harbor' method of satisfying the non-discrimination requirements of IRC401(k).

Plan sponsor contribution allocations may be different if the employee-level IRC401(k) elective deferrals are not as illustrated.

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**COMPARISON OF PLAN DESIGN FEATURES**

**Design Description: SIMPLE 401(k)**

This plan includes a provision for IRC401(k) employee-elective compensation deferrals. The plan design includes a qualified non-elective contribution for non-highly compensated plan participants of 2.00% of pay as a 'safe harbor' method of satisfying the non-discrimination requirements of IRC401(k).

**Establishing a New Tax-qualified Retirement Plan:**

Establishing a tax-qualified pension or profit-sharing plan requires careful preparation. Tax deductions taken by the plan sponsor for contributions to retirement plan are allowed by the Internal Revenue Service only if the requirements of Federal statutes and regulations defining the operation, reporting and fiduciary responsibilities are met. A qualified retirement plans must provide for:

- An irrevocable trust containing plan contributions and earnings
- The disbursement of trust funds only for the benefit of plan participants
- The non-discriminatory provision of plan benefits to eligible employees

For most plan designs annual pension and profit sharing reports must be submitted to the Federal government. A properly stated trust document must be executed, and initial and annual servicing must be provided to ensure that the reporting is performed correctly. A defined benefit plan design also requires an actuarial certification.

Annual reporting to eligible plan participants is also required on the status of their benefits and contributions and investment types, earnings or losses. Besides asset information, participants must be furnished with a Summary Plan Description when the plan is established or significantly amended. Advance Notice of Intention to Terminate a Plan is also required by the government.

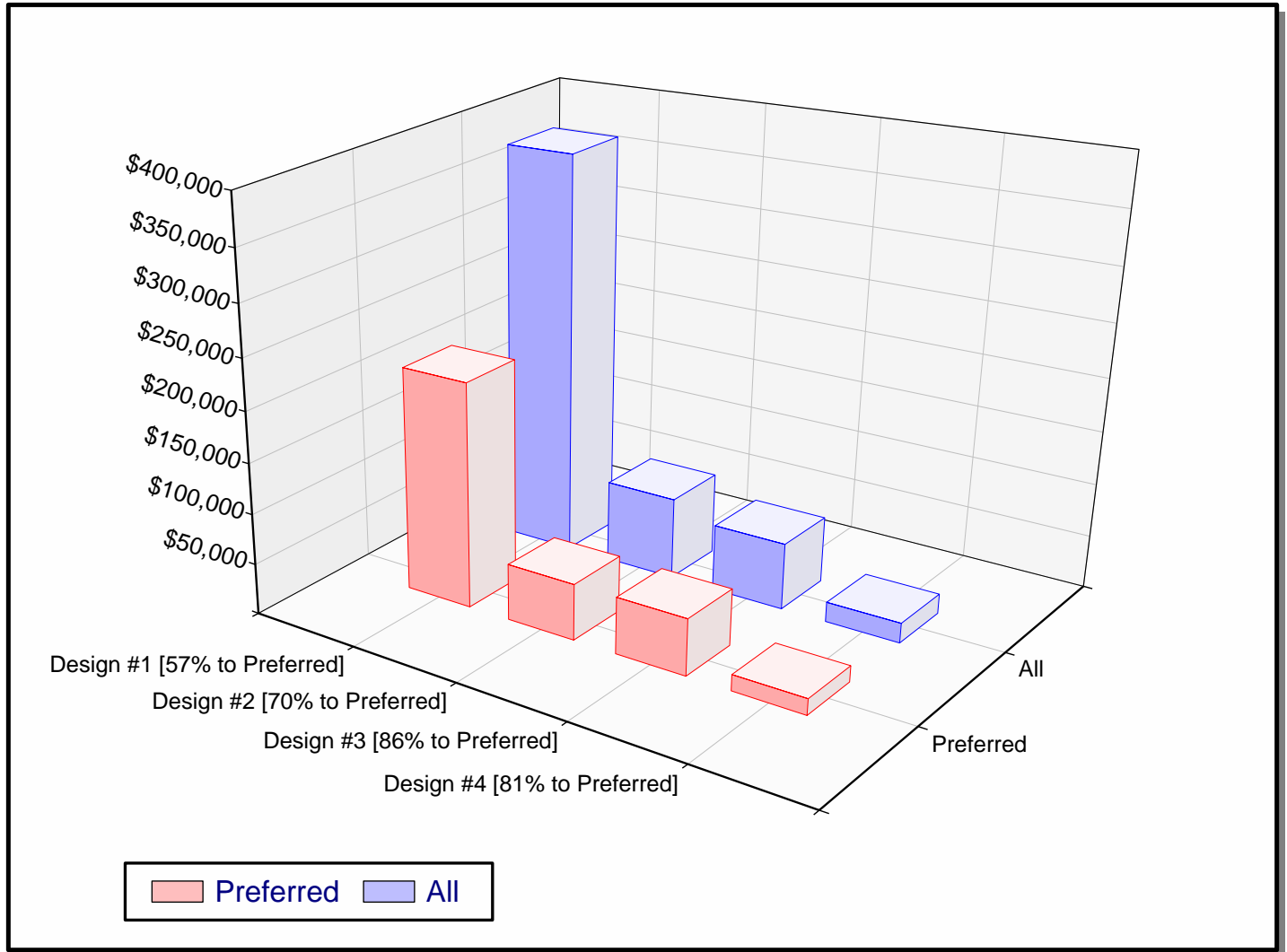
Government rules are subject to frequent modification by the U.S. Congress and Federal agencies such as the IRS, DOL and PBGC. The plan sponsor's accountant and tax advisers need to be consulted when a qualified retirement plan is created, and conferred with periodically to properly consider legislative and regulatory changes.

Government rules which must be considered include, but are not limited to, maximum benefit and contribution limits under IRC401(k) and IRC415, maximum compensation that may be considered under IRC401(a)(17), minimum benefits under IRC416, non-discrimination rules under IRC401(a) and IRC414(q) and maximum deduction rules under IRC404.

The illustrations provided here depend on the client and census information that has been provided by the potential plan sponsor. Future operation of the plan will depend on future census and plan sponsor information and government rules.

This illustration does not constitute legal, financial, accounting or actuarial advice.

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**Comparison of Initial Contribution**



Preferred indicates preferred employees for plan design purposes.

Contributions are computed as due as of the End of the Plan Year. Contributions in a defined benefit plan are not individual account additions, but are combined into an unallocated investment fund to provide plan benefits. Maximum deductible contributions are illustrated for defined benefit plan designs. For defined contribution plan designs, IRC401(k) elective deferrals, if any, are included in the contributions for the Owner Employees.

#	Design Description	Preferred Contribution	Total Contribution
1	Defined Benefit Cash Balance Plan	219,372	386,137
2	Profit Sharing Traditional Plan	55,000	78,985
3	Profit Sharing Two-Group New Comparability Plan	55,000	64,000
4	SIMPLE 401(k)	15,500	19,100

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**COMPARISON OF INITIAL ANNUAL CONTRIBUTIONS**

Employee Name	P	Defined Benefit Cash Balance Plan			Profit Sharing Traditional Plan			Profit Sharing Two-Group New Comparability Plan			SIMPLE 401(k)		
		\$Amount	%Total	%Pay	\$Amount	%Total	%Pay	\$Amount	%Total	%Pay	\$Amount	%Total	%Pay
Salmon, C	P	219,372	56.8%	79.8%	55,000	69.6%	20.0%	55,000	85.9%	20.0%	15,500	81.2%	5.6%
Other Employees		166,765	43.2%	92.6%	23,984	30.4%	13.3%	9,000	14.1%	5.0%	3,600	18.8%	2.0%
All Employees		386,137	100.0%	84.9%	78,984	100.0%	17.4%	64,000	100.0%	14.1%	19,100	100.0%	4.2%
Preferred Employees	P	219,372	56.8%	79.8%	55,000	69.6%	20.0%	55,000	85.9%	20.0%	15,500	81.2%	5.6%

P indicates a preferred employee for plan design purposes.

Preferred employees are listed separately above. The 'Other Employee' values represent the totals for all other employees.

Contributions are computed as due as of the End of the Plan Year. Contributions in a defined benefit plan are not individual account additions, but are combined into an unallocated investment fund to provide plan benefits. For defined benefit plan designs, maximum deductible contributions are illustrated. IRC412(m) may require quarterly contributions for defined benefit plans. For defined contribution plans, IRC401(k) deferrals, if any, are included in the contributions for Owner Employees. Compensation used to determine the %Pay is limited by IRC401(a)(17).

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**COMPARISON OF ACCUMULATIONS**

Employee Name	P	Compensation	Design#1	Design#2	Design#3	Design#4
Salmon, C	P	275,000	2,801,009	1,196,886	1,196,887	337,305
Trout, B		70,000	333,680	248,681	121,865	76,166
Trout, R		60,000	247,081	173,984	65,285	65,285
Bass, S		50,000	169,409	177,629	87,046	54,404
Totals						
All Employees		455,000	3,551,179	1,797,180	1,471,083	533,160
Preferred Employees	P	275,000	2,801,009	1,196,886	1,196,887	337,305

P indicates a preferred employee for plan design purposes.

Illustrated compensation is the amount which may be considered in the plan under IRC401(a)(17). The illustrated accumulations are as of the latest anticipated retirement age of the Preferred plan participants. Accumulations are theoretical values. Government distribution regulations may limit lump sum payouts from the plan.

#	Design Description
1	Defined Benefit Cash Balance Plan
2	Profit Sharing Traditional Plan
3	Profit Sharing Two-Group New Comparability Plan
4	SIMPLE 401(k)

**Salmon Enterprises Inc.**  
**EFFECTIVE AS OF 01/01/2018**  
**COMPARISON OF PLAN SPONSOR'S AFTER TAX ANALYSIS**

		<b>Design#1</b>	<b>Design#2</b>	<b>Design#3</b>	<b>Design#4</b>
(1)	Plan Sponsor's Tax Rate	25.0%	25.0%	25.0%	25.0%
(2)	Total Plan Sponsor's Contribution	37,764	68,984	54,000	9,100
(3)	Plan Sponsor's Tax Savings [(2) x (1) / 100]	9,441	17,246	13,500	2,275
(4)	After Tax Cost of Plan to Plan Sponsor [(2) - (3)]	28,323	51,738	40,500	6,825
(5)	Plan Cost for Preferred Employees	20,765	45,000	45,000	5,500
(6)	%Net After Tax Cost for Preferred EEs [100 x (5) / (4)]	73.0%	87.0%	111.0%	81.0%

Preferred employees are designated for plan design purposes.

For defined benefit plan designs, the cost illustrated for Preferred participants is a theoretical allocation of the minimum required plan sponsor contribution.

<b>#</b>	<b>Design Description</b>
1	Defined Benefit Cash Balance Plan
2	Profit Sharing Traditional Plan
3	Profit Sharing Two-Group New Comparability Plan
4	SIMPLE 401(k)



**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Defined Benefit Cash Balance Plan**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date coincident with or following the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Retirement Benefit Normal Form**

Life Annuity

**Retirement Benefit Optional Forms**

Lump Sum

**Retirement Benefit Formula**

This cash balance plan uses a compensation-based, annual accrual unit benefit formula. The retirement benefit is the actuarial equivalent of the accumulation of annual cash balance allocations. The theoretical cash balance allocations may be based upon compensation, job classification and upon age or service determined as of the current valuation date. Non-discrimination testing under IRC401(a)(4) rules may be required for plan qualification.

Cash Balance Census Groups

Group #1 Employee Class #0

Allocation is 14.85226413797% of All Compensation

Compensation up to \$999,999,999 is considered

Group #2 Employee Class #1

Allocation is 39.407478353474% of All Compensation

Compensation up to \$999,999,999 is considered

**Pre-Retirement Death Benefit**

100% Of Present Value of Accrued Retirement Benefit

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Defined Benefit Cash Balance Plan**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Top Heavy**

Not Top Heavy

IRC416 Minimum Benefit: 2.00% of Pay Per Year of Top Heavy Service

**IR415 Limitation**

Maximum Single Life Annuity \$Amount: \$220,000

Maximum Single Life Annuity As %Pay: 100%

Interest Rate for Life Annuity: 5.00%

Interest Rate for Other Benefit Forms: 5.50%

Mortality: 2018 417 Applicable Mortality Table N2017-60

**Compensation**

Plan Compensation: 3 Year Average

Maximum Compensation: Up To \$275,000 Considered

**Accrued Benefit**

Benefit Service Accrued to Date

**Pre-retirement Assumptions**

Compensation Increase: NONE

Mortality: 2018 430 Non-Annuitant TD9826

**Retirement Assumptions**

IRC430 Interest:

First 5 years: 3.92%

Next 15 years: 5.52%

After 20 years: 6.29%

IRC404 Interest:

First 5 years: 1.79%

Next 15 years: 3.70%

After 20 years: 4.56%

Mortality: 2018 430 Annuitant TD9826

**Pre-Retirement Actuarial Equivalence Assumptions**

Interest: 5.00%

Mortality: NONE

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Defined Benefit Cash Balance Plan**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Retirement Actuarial Equivalence Assumptions**

Interest: 5.00%

Mortality: 2018 417 Applicable Mortality Table N2017-60

**IRC417(e) Assumptions**

Interest:

First 5 years: 2.20%

Next 15 years: 3.57%

After 20 years: 4.24%

Mortality: 2018 417 Applicable Mortality Table N2017-60

**Vesting Schedule**

3 Year Cliff Vesting (100% After 3 Years Of Service)

Vesting Based On All Service Excluding That Prior To Age 18

**Actuarial Cost Method**

PPA06 Funding Rules

**Current Liability Assumptions**

IRS Notice 89-52: In subsequent years, quarterly contributions to the plan may be required

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PROPOSAL AS OF 12/31/2018  
EMPLOYEE CENSUS**

Employees Eligible to Participate in the Plan

Employee Name	Owner%	Sex	Ages			Dates				Annual Compensation	KHP
			Hire	Curr	Ret	Birth	Hire	Participation	Retirement		
Salmon, Coho	100.0%	M	30	49	65	01/21/1970	01/01/2000	01/01/2018	02/01/2035	275000	KHP
Trout, Brook		F	21	29	65	09/16/1989	12/01/2010	01/01/2018	10/01/2054	70000	
Trout, Rainbow		M	23	26	65	12/02/1992	12/01/2015	01/01/2018	01/01/2058	60000	
Bass, Spotted		M	19	22	65	02/02/1997	07/14/2016	01/01/2018	03/01/2062	50000	
Total										455000	
Preferred Total										275000	
Preferred %Total										60%	

K indicates an IRC416 Key employee

H indicates an IRC414 Highly Compensated employee

P indicates a preferred employee

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PROPOSAL AS OF 12/31/2018  
BENEFITS AND CONTRIBUTIONS**

Participant Name	Annual Compensation	Anticipated Benefits			Contribution		P	
		Monthly Retirement	Lump Sum		\$Amount	%Pay		
			Retirement	Death				
Salmon, C	275,000	18,454.00	2,800,303	128,257	20,765	7.6%	P	M
Trout, B	70,000	5,833.00	885,129	48,339	5,702	8.1%		M
Trout, R	60,000	5,000.00	758,725	33,949	5,220	8.7%		M
Bass, S	50,000	4,167.00	632,322	15,510	6,077	12.2%		M
<b>TOTAL</b>	<b>455,000</b>			<b>226,055</b>	<b>37,764</b>	<b>8.3%</b>		
Preferred Employees	275,000			128,257	20,765	7.6%		
%Total to Preferred	60.4%			56.7%	55.0%		P	

P indicates a preferred employee for plan design purposes.

M indicates a participant with an anticipated monthly retirement benefit at the IRC415 maximum benefit level.

Contributions in a defined benefit plan are not individual account additions, but are combined into an unallocated investment fund to provide plan benefits. The plan contribution satisfies the Minimum Funding Standards of IRC430 and is illustrated as due as of the end of the plan year. The IRC430 Minimum Contribution is subject to review by the Plan's Enrolled Actuary and Tax Accountant. Notice 89-52: In subsequent years, quarterly contributions to the plan may be required. Subsequent contributions depend upon aggregate plan experience including that in respect of investment earnings, mortality, turnover, salary changes, and plan amendments.

The 'Anticipated Lump Sum Death Benefit' illustrated is the anticipated initial pre-retirement death benefit as of the plan effective date.

The illustrated benefits and current contributions are estimates which depend on accurate sponsor and census data and the assumptions selected. Availability of the monthly retirement benefit commencing at the retirement date or the lump sum at retirement depend on the plan provisions. Government distribution regulations may limit lump sum payouts from the plan.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PROPOSAL AS OF 12/31/2018  
Owner Employee Earned Income Analysis**

Owner-Employee				Initial Plan Contribution		Deductible		Compensation	
		Minimum			Common	OASDI	Earned		
Name	Pct	Compensation	Profit	Owner	Law	Tax	Income	Plan	OASDI
Salmon, C	100%	0	400,000	20,765	16,999	13,089	369,912	349,149	353701
Total	100%	0	400,000	20,765	16,999	13,089	369,912	349,149	353701

1	Schedule C or K-1 earnings ('Profit') for the plan sponsor	\$400,000
2	Common-law Plan Cost	-\$16,999
3	Deductible OASDI Tax for Owner-employees	-\$13,089
4	Owner-employee Earned Income [(1) - {(2) + (3)}]	\$369,912
5	Initial Plan Contribution for Owner-employees	-\$20,765
6	Owner-employee Plan Compensation [(4) - (5)]	\$349,147
7	Iterative Roundoff Error [(6) - Iteratively Computed Plan Compensation (\$349,149)]	-\$2

Iterative roundoff error arises because earned income is computed by a repetitive algorithm using results from consecutive estimates to obtain a final result with the illustrated accuracy. In general an explicit formula for earned income without an iterative algorithm is not mathematically possible.

The initial plan contribution for an owner-employee and the common-law plan cost is actuarially computed based on compensation, plan benefits and assumptions. Contributions in a defined benefit plan are not individual account additions, but are combined into an unallocated investment fund to provide plan benefits. The individual allocation of plan costs is for the purpose of this illustration only. Subsequent contributions depend upon aggregate plan experience including that in respect of investment earnings, mortality, turnover, compensation changes and plan amendments.

The plan compensation for an owner-employee is the portion of the owner-employee's earned income which is in excess of the initial plan contribution for the owner-employee. The owner-employee earned income is the portion of the profit attributable to the owner-employee which is subject to federal income tax. It is the excess, if any, of the portion of the Schedule C or K earnings attributable to the owner-employee over the sum of the deductible portion of the OASDI tax for the owner-employee and the portion of the common law plan cost attributable to the owner-employee. It includes the initial plan contribution made on behalf of the owner-employee.

The deductible OASDI tax is the portion of the Social Security Old Age, Survivors and Disability Income tax which is deemed to be paid by the employer. The OASDI compensation is the IRC1402(a)(12) factor times the portion of the Schedule C earnings attributable to the owner-employee less the portion of the common-law plan costs attributable to the owner-employee. For plan years commencing after 1989 the IRC1402(a)(12) factor is 1 minus 50% of the OASDI self employment tax rate which varies by year.

The Minimum is the pre-arranged minimum compensation amount for the specified owner-employee allocated from Profit prior to the application of the Profit%. The Minimum Compensation is included in the Profit column value.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date coincident with or following the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Plan Contribution**

1st Year Amount \$37,764

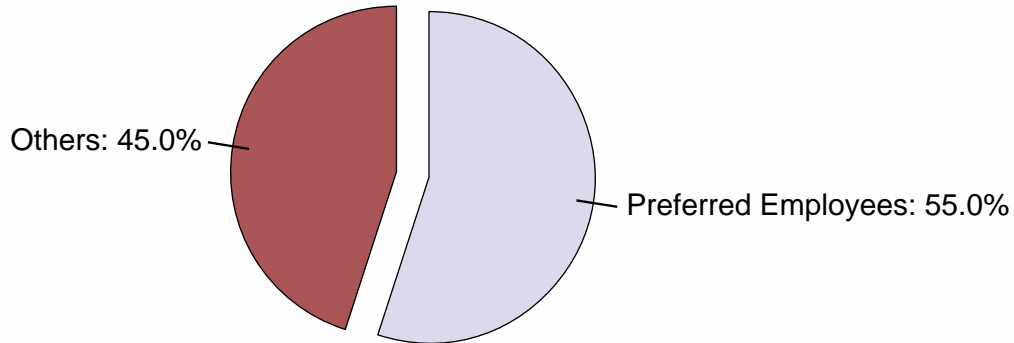
Contribution Actuarially Determined

**Pre-Retirement Death Benefit**

100% Of Present Value of Accrued Retirement Benefit

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

Plan Contributions



Participant Name	Ages		Service			Compensation		Initial Contribution			
	A	RA	P	F	T	\$Amount	%Total	\$Amount	%Total	%Pay	
Salmon, C	49	65	18	17	35	275,000	60.4%	20,765	55.0%	7.6%	P
Total Preferred						275,000	60.4%	20,765	55.0%	7.6%	P
All Participants						455,000	100.0%	37,764	100.0%	8.3%	

P indicates a preferred employee for plan design purposes.

Age: A is age as of the end of the plan year and RA is age as of the anticipated retirement date.

Service: P is past service, F is anticipated future service and T is anticipated total service at retirement.

Contributions in a defined benefit plan are not individual account additions, but are combined into an unallocated investment fund to provide plan benefits. The plan contribution satisfies the Minimum Funding Standards of IRC430 and is illustrated as due as of the end of the plan year. The IRC430 Minimum Contribution is subject to review by the Plan's Enrolled Actuary and Tax Accountant. Subsequent contributions depend upon aggregate plan experience including that in respect of investment earnings, mortality, turnover, salary changes, and plan amendments. IRS Notice 89-52 provides that in subsequent plan years, quarterly contributions to the plan may be required. The illustrated Initial Contributions are estimates which depend on accurate sponsor and census data and the assumptions selected.



**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PROPOSAL AS OF 12/31/2018  
Maximum Deductible Contribution for the Plan Year Beginning: 01/01/2018**

1	Target Normal Cost	\$18,085
2	Funding Target	\$245,368
3	Cushion	
	(a) $.5 \times$ Funding Target	\$122,684
	(b) Increases to Funding Target due to increases in compensation	\$0
4	Target Normal Cost using the additional assumptions under IRC430(i)	\$18,986
5	Funding Target using the additional assumptions under IRC430(i)	\$255,605
6	Greater of (1 + 2 + 3) and (4 + 5)	\$386,137
7	Actuarial Value of Plan Assets	\$0
8	Minimum Required Contribution	\$37,764
9	Maximum Deductible Contribution [Greater of 8 and (6 - 7)]	\$386,137

The values illustrated above are subject to review by the Plan's Enrolled Actuary and Tax Accountant, and depend on data provided by the Plan Administrator. They may not apply if there are additional qualified benefit plans associated with this Plan, or the Plan Year is not a full year, or the deductible limit is based on a weighted average of deductible limits for two consecutive Plan Years, or the Plan Year is not coincident with the Plan Sponsor's Tax Year.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PROPOSAL AS OF 12/31/2018  
Benefits and Contributions**

Participant Name	Current Annual Compensation	Current Liabilities		Theoretical Contribution Allocation				H C
		Accrued Benefit At BOPY	Individual Funding Target	Minimum Required		Maximum Deductible		
				Amount	%Total	Amount	%Total	
Salmon, Coho	275,000	1,845	110,683	20,765	54.99	219,372	56.81	H
Trout, Brook	70,000	1,845	29,337	5,702	15.10	79,253	20.52	
Trout, Rainbow	60,000	1,441	18,538	5,220	13.82	56,052	14.52	
Bass, Spotted	50,000	569	5,747	6,077	16.09	31,460	8.15	
Total: HC EEs	275,000		110,683	20,765	54.99	219,372	56.81	
Total: Non-HC EEs	180,000		53,622	16,999	45.01	166,765	43.19	
Total: All EEs	455,000		164,305	37,764	100.00	386,137	100.00	

Contributions in a defined benefit plan are not individual account additions, but are combined into an unallocated investment fund to provide plan benefits. Current and subsequent contributions depend on aggregate plan experience including investment earnings, mortality, turnover, salary changes, and plan amendments.

The plan contribution satisfies the Minimum Funding Standards of IRC430 and is computed as due on the valuation date. The IRC430 Minimum Contribution is subject to review by the Plan's Enrolled Actuary and depends on data provided by the Plan Administrator.

IRC401(a)(17) limits Current Annual Compensation which may be considered under the plan.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Defined Benefit Cash Balance Plan  
PROPOSAL AS OF 12/31/2018  
THEORETICAL CASH BALANCE VALUES**

Participant Name	Ages		Annual Compensation	Cash Balance Values			KHP
	VA	RA		Current		Retirement	
				Amount	%Pay		
Salmon, Coho	49	65	275,000	108,371	39.41	2,800,335	KHP
Trout, Brook	29	65	70,000	10,397	14.85	1,046,188	
Trout, Rainbow	26	65	60,000	8,911	14.85	1,076,490	
Bass, Spotted	22	65	50,000	7,426	14.85	1,122,408	
<b>Totals</b>			<b>455,000</b>	<b>135,105</b>		<b>6,045,421</b>	

Illustrated cash balance values are used to estimate the anticipated retirement benefits under the plan, but do not necessarily indicate actual plan contributions or benefit amounts. Actual plan benefits may be limited by government statutes and regulations.

K indicates an IRC416 Key employee

H indicates an IRC414 Highly Compensated employee

P indicates a preferred employee

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PLAN PROVISIONS AND ASSUMPTIONS  
PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date nearest (months) to the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Retirement Benefit Normal Form**

Life Annuity

**Defined Contribution Formula**

Plan Sponsor IRC401(k) Safe Harbor Contribution: 3.00% Of Pay

IRC401(k) Compensation Deferral: Employee-Discretionary Contribution

Plan Sponsor Profit Sharing Contribution: Allocation Up To 5.7% Of Pay In Excess Of The Integration Level: \$128,400  
Remainder, If Any, Allocated On Compensation Ratio Basis

Excess Percent Allocated This Year: 5.7%

Plan Sponsor Profit Sharing Contribution Allocated: \$55,334 [12.16% Of Pay]

**Pre-Retirement Death Benefit**

Investment Fund Value

**Top Heavy**

Top Heavy

IRC416 Minimum Contribution: 3.00% of Pay

**IR415 Limitation**

Maximum Allocation Amount: \$55,000

Maximum Allocation As %Pay: 100%

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PLAN PROVISIONS AND ASSUMPTIONS  
PROPOSAL AS OF 12/31/2018**

**Compensation**

Maximum Compensation: Up To \$275,000 Considered

**Accrued Benefit**

Accumulation of Contributions to Date

**Pre-retirement Assumptions**

Return on Fund: 3.00%

**Retirement Assumptions**

Interest: 8.50%

Mortality: 1983 IAM MALE/FEMALE

**Vesting Schedule**

6 Year Graded Vesting (20% After 2 Years Of Service, Plus 20% For Each Additional Year of Service And 100% After 6 Years Of Service)

Vesting Based On All Service Excluding That Prior To Age 18

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PROPOSAL AS OF 12/31/2018  
EMPLOYEE CENSUS**

Employees Eligible to Participate in the Plan

Employee Name	Owner%	Sex	Ages			Dates				Annual Compensation	KHP
			Hire	Curr	Ret	Birth	Hire	Participation	Retirement		
Salmon, Coho	100.0%	M	30	49	65	01/21/1970	01/01/2000	01/01/2018	02/01/2035	275000	KHP
Trout, Brook		F	21	29	65	09/16/1989	12/01/2010	01/01/2018	10/01/2054	70000	
Trout, Rainbow		M	23	26	65	12/02/1992	12/01/2015	01/01/2018	01/01/2058	60000	
Bass, Spotted		M	19	22	65	02/02/1997	07/14/2016	01/01/2018	03/01/2062	50000	
Total										455000	
Preferred Total										275000	
Preferred %Total										60%	

K indicates an IRC416 Key employee

H indicates an IRC414 Highly Compensated employee

P indicates a preferred employee

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PROPOSAL AS OF 12/31/2018  
BENEFITS AND CONTRIBUTIONS**

Participant Name	Annual Compensation	Anticipated Benefits			Initial Contribution		P	M
		Monthly Retirement	Lump Sum		\$Amount	%Pay		
			Retirement	Death				
Salmon, C	275,000	11,298.60	1,196,886	55,000	55,000	20.0%	P	M
Trout, B	70,000	6,556.30	756,206	11,427	11,427	16.3%		
Trout, R	60,000	5,690.74	602,833	7,995	7,995	13.3%		
Bass, S	50,000	6,861.54	726,858	8,162	8,162	16.3%		
<b>TOTAL</b>	<b>455,000</b>			<b>82,584</b>	<b>82,584</b>	<b>18.2%</b>		
Preferred Employees	275,000			55,000	55,000	20.0%	P	
%Total to Preferred	60.4%			66.6%	66.6%		P	

P indicates a preferred employee for plan design purposes.

M indicates a participant with an anticipated initial contribution which is at the IRC415 maximum account addition level.

The illustrated benefits and current contributions are estimates. Illustrated benefits may not be guaranteed. The values illustrated depend on accurate sponsor and census data and the assumptions selected. Availability of the monthly retirement benefit commencing at the retirement date or the lump sum at retirement depends on the plan provisions. The pre-retirement death benefit illustration assumes that the initial plan sponsor contribution will be made. The pre-retirement death benefit in subsequent plan years will be based on the participant's account balance which will change with additional future contributions and investment results.

The Initial Contribution illustrated includes the plan sponsor discretionary contribution, the IRC401(k) elective compensation deferrals and the plan sponsor's non-elective 'fail safe' contribution.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PROPOSAL AS OF 12/31/2018  
Owner Employee Earned Income Analysis**

Owner-Employee				Initial Plan Contribution		Deductible	Earned	Elective	Compensation	
Name	Pct	Minimum	Profit	Owner	Common Law	OASDI Tax	Income	Deferral	Plan	OASDI
Salmon, C	100%	0	400,000	55,000	27,584	12,948	359,468	10,000	314,470	343,925
Total	100%	0	400,000	55,000	27,584	12,948	359,468	10,000	314,470	343,925

1	Schedule C or K-1 earnings ('Profit') for the plan sponsor	\$400,000
2	Common-law Plan Cost	\$27,584
3	Deductible OASDI Tax for Owner-employees	\$12,948
4	Owner-employee Earned Income $[(1) - \{(2) + (3)\}]$	\$359,468
5	Initial Plan Contribution for Owner-employees	\$55,000
6	Owner-employee Elective Deferral	\$10,000
7	Owner-employee Plan Compensation $[(4) - \{(5) - (6)\}]$	\$314,468
8	Iterative Roundoff Error $[(7) - \text{Iteratively Computed Plan Compensation } (\$314,470)]$	-\$2

Iterative roundoff error arises because earned income is computed by a repetitive algorithm using results from consecutive estimates to obtain a final result with the illustrated accuracy. In general an explicit formula for earned income without an iterative algorithm is not mathematically possible.

The initial plan contribution for an owner-employee is the total of the account additions under the plan based on plan compensation for the owner-employee. The employee-elective compensation deferral, if any, for the owner-employee is included in the initial plan contribution for the owner-employee. The common-law plan cost is the total of the account additions under the plan for the non-owner-employee plan participants.

The plan compensation for an owner-employee is the owner-employee's earned income reduced by the initial plan contribution for the owner-employee and increased by the employee-elective compensation deferral, if any, for the owner-employee. The owner-employee earned income is the portion of the profit attributable to the owner-employee which is subject to federal income tax. It is the excess, if any, of the portion of the Schedule C or K-1 earnings attributable to the owner-employee over the sum of the deductible portion of the OASDI tax for the owner-employee and the portion of the common law plan cost attributable to the owner-employee. It includes the initial plan contribution made on behalf of the owner-employee.

The deductible OASDI tax is the portion of the Social Security Old Age, Survivors and Disability Income tax which is deemed to be paid by the employer. The OASDI compensation is the IRC1402(a)(12) factor times the portion of the Schedule C earnings attributable to the owner-employee less the portion of the common-law plan costs attributable to the owner-employee. For plan years commencing after 1989 the IRC1402(a)(12) factor is 1 minus 50% of the OASDI self employment tax rate which varies by year.

The Minimum Compensation is the pre-arranged minimum compensation amount for the specified owner-employee allocated from Profit prior to the application of the Profit%. The Minimum Compensation is included in the Profit column value.



**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date nearest (months) to the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Plan Contribution**

1st Year Amount \$82,585

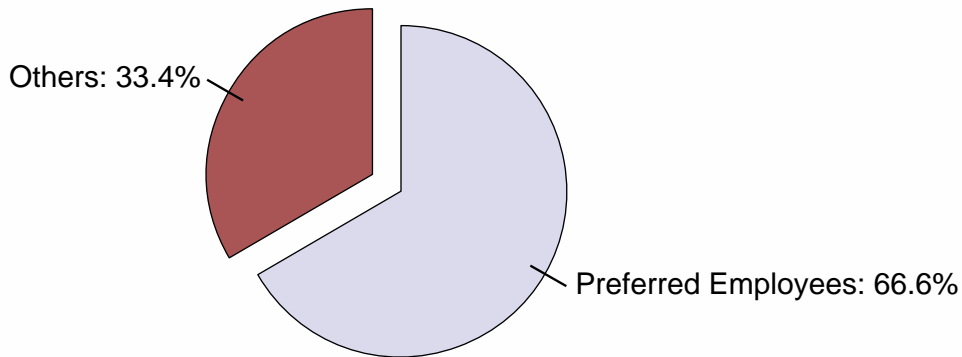
Allocation Based On Compensation

**Pre-Retirement Death Benefit**

Investment Fund Value

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

Plan Contributions



Participant Name	Ages		Service			Compensation		Initial Contribution			
	A	RA	P	F	T	\$Amount	%Total	\$Amount	%Total	%Pay	
Salmon, C	49	65	19	16	35	275,000	60.4%	55,000	66.6%	20.0%	P
Total Preferred						275,000	60.4%	55,000	66.6%	20.0%	P
All Participants						455,000	100.0%	82,584	100.0%	18.2%	

P indicates a preferred employee for plan design purposes.

Age: A is age as of the end of the plan year and RA is age as of the anticipated retirement date.

Service: P is past service, F is anticipated future service and T is anticipated total service at retirement.

The Initial Contribution illustrated includes the plan sponsor discretionary contribution, the IRC401(k) elective compensation deferrals and the plan sponsor's non-elective 'fail safe' contribution.

The illustrated Initial Contributions are estimates which depend on accurate sponsor and census data and the assumptions selected.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Traditional Plan  
PROPOSAL AS OF 12/31/2018  
Analysis of Plan Contributions**

<b>All Eligible Employees</b>					
<b>Employee Name</b>	<b>Annual Compensation</b>	<b>Contributions</b>			
		<b>Profit Sharing</b>	<b>Elective Deferral</b>	<b>Non-elective</b>	<b>Total</b>
Salmon, C	275,000	36,750	10,000	8,250	55,000
Trout, B	70,000	7,227	2,100	2,100	11,427
Trout, R	60,000	6,195	0	1,800	7,995
Bass, S	50,000	5,162	1,500	1,500	8,162
All Employees	455,000	55,334	13,600	13,650	82,584

The Profit Sharing contribution illustrated is the participant's discretionary contribution, which varies in any plan year.

The Elective Deferral contribution illustrated is the participant's discretionary compensation deferral under the IRC401(k) provisions of the plan. The calendar amount of this contribution is limited by IRC402(g) rules.

The Non-elective contribution illustrated is a plan sponsor 'safe harbor' contribution to assure that the plan is non-discriminatory according to IRC401(k) rules.

Profit Sharing contributions are subject to the plan vesting schedule. IRC401(k) deferrals are always non-forfeitable.

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Profit Sharing Two-Group New Comparability Plan**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date coincident with or following the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Retirement Benefit Normal Form**

Life Annuity

**Defined Contribution Formula**

Plan Sponsor IRC401(k) Safe Harbor Contribution: 3.00% Of Pay

IRC401(k) Compensation Deferral: Employee-Discretionary Contribution

Plan Sponsor Profit Sharing Contribution: Allocation To Plan-sponsor-selected Groups

Group #1: 13.36%

Group #2: 2%

Plan Sponsor Profit Sharing Contribution Allocated: \$40,350 [8.87% Of Pay]

**Pre-Retirement Death Benefit**

Investment Fund Value

**Top Heavy**

Top Heavy

IRC416 Minimum Contribution: 3.00% of Pay

**IR415 Limitation**

Maximum Allocation Amount: \$55,000

Maximum Allocation As %Pay: 100%

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Profit Sharing Two-Group New Comparability Plan**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Compensation**

Maximum Compensation: Up To \$275,000 Considered

**Accrued Benefit**

Accumulation of Contributions to Date

**Pre-retirement Assumptions**

Return on Fund: 3.00%

**Retirement Assumptions**

Interest: 8.50%

Mortality: 1984 Unisex Pension (UP-84)

**Pre-Retirement Actuarial Equivalence Assumptions**

Interest: 8.50%

Mortality: NONE

**Retirement Actuarial Equivalence Assumptions**

Interest: 8.50%

Mortality: 1984 Unisex Pension (UP-84)

**Vesting Schedule**

6 Year Graded Vesting (20% After 2 Years Of Service, Plus 20% For Each Additional Year of Service And 100% After 6 Years Of Service)

Vesting Based On All Service Excluding That Prior To Age 18

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Two-Group New Comparability Plan  
PROPOSAL AS OF 12/31/2018  
EMPLOYEE CENSUS**

Employees Eligible to Participate in the Plan

Employee Name	Owner%	Sex	Ages			Dates				Annual Compensation	KHP
			Hire	Curr	Ret	Birth	Hire	Participation	Retirement		
Salmon, Coho	100.0%	M	30	49	65	01/21/1970	01/01/2000	01/01/2018	02/01/2035	275000	KHP
Trout, Brook		F	21	29	65	09/16/1989	12/01/2010	01/01/2018	10/01/2054	70000	
Trout, Rainbow		M	23	26	65	12/02/1992	12/01/2015	01/01/2018	01/01/2058	60000	
Bass, Spotted		M	19	22	65	02/02/1997	07/14/2016	01/01/2018	03/01/2062	50000	
Total										455000	
Preferred Total										275000	
Preferred %Total										60%	

K indicates an IRC416 Key employee

H indicates an IRC414 Highly Compensated employee

P indicates a preferred employee

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Two-Group New Comparability Plan  
PROPOSAL AS OF 12/31/2018  
BENEFITS AND CONTRIBUTIONS**

Participant Name	Annual Compensation	Anticipated Benefits			Initial Contribution		P	M
		Monthly Retirement	Lump Sum		\$Amount	%Pay		
			Retirement	Death				
Salmon, C	275,000	12,543.38	1,196,887	55,000	55,000	20.0%	P	M
Trout, B	70,000	3,883.63	370,576	5,600	5,600	8.0%		
Trout, R	60,000	2,370.62	226,204	3,000	3,000	5.0%		
Bass, S	50,000	3,732.91	356,194	4,000	4,000	8.0%		
<b>TOTAL</b>	<b>455,000</b>			<b>67,600</b>	<b>67,600</b>	<b>14.9%</b>		
Preferred Employees	275,000			55,000	55,000	20.0%	P	
%Total to Preferred	60.4%			81.4%	81.4%		P	

P indicates a preferred employee for plan design purposes.

M indicates a participant with an anticipated initial contribution which is at the IRC415 maximum account addition level.

The illustrated benefits and current contributions are estimates. Illustrated benefits may not be guaranteed. The values illustrated depend on accurate sponsor and census data and the assumptions selected. Availability of the monthly retirement benefit commencing at the retirement date or the lump sum at retirement depends on the plan provisions. The pre-retirement death benefit illustration assumes that the initial plan sponsor contribution will be made. The pre-retirement death benefit in subsequent plan years will be based on the participant's account balance which will change with additional future contributions and investment results.

The Initial Contribution illustrated includes the plan sponsor discretionary contribution, the IRC401(k) elective compensation deferrals and the plan sponsor's non-elective 'fail safe' contribution.

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Profit Sharing Two-Group New Comparability Plan**  
**PROPOSAL AS OF 12/31/2018**  
**Owner Employee Earned Income Analysis**

Owner-Employee				Initial Plan Contribution		Deductible	Earned	Elective	Compensation	
Name	Pct	Minimum	Profit	Owner	Common Law	OASDI Tax	Income	Deferral	Plan	OASDI
Salmon, C	100%	0	400,000	55,000	12,600	13,074	374,326	10,000	329,330	357,764
Total	100%	0	400,000	55,000	12,600	13,074	374,326	10,000	329,330	357,764

1	Schedule C or K-1 earnings ('Profit') for the plan sponsor	\$400,000
2	Common-law Plan Cost	\$12,600
3	Deductible OASDI Tax for Owner-employees	\$13,074
4	Owner-employee Earned Income $[(1) - \{(2) + (3)\}]$	\$374,326
5	Initial Plan Contribution for Owner-employees	\$55,000
6	Owner-employee Elective Deferral	\$10,000
7	Owner-employee Plan Compensation $[(4) - \{(5) - (6)\}]$	\$329,326
8	Iterative Roundoff Error $[(7) - \text{Iteratively Computed Plan Compensation } (\$329,330)]$	-\$4

Iterative roundoff error arises because earned income is computed by a repetitive algorithm using results from consecutive estimates to obtain a final result with the illustrated accuracy. In general an explicit formula for earned income without an iterative algorithm is not mathematically possible.

The initial plan contribution for an owner-employee is the total of the account additions under the plan based on plan compensation for the owner-employee. The employee-elective compensation deferral, if any, for the owner-employee is included in the initial plan contribution for the owner-employee. The common-law plan cost is the total of the account additions under the plan for the non-owner-employee plan participants.

The plan compensation for an owner-employee is the owner-employee's earned income reduced by the initial plan contribution for the owner-employee and increased by the employee-elective compensation deferral, if any, for the owner-employee. The owner-employee earned income is the portion of the profit attributable to the owner-employee which is subject to federal income tax. It is the excess, if any, of the portion of the Schedule C or K-1 earnings attributable to the owner-employee over the sum of the deductible portion of the OASDI tax for the owner-employee and the portion of the common law plan cost attributable to the owner-employee. It includes the initial plan contribution made on behalf of the owner-employee.

The deductible OASDI tax is the portion of the Social Security Old Age, Survivors and Disability Income tax which is deemed to be paid by the employer. The OASDI compensation is the IRC1402(a)(12) factor times the portion of the Schedule C earnings attributable to the owner-employee less the portion of the common-law plan costs attributable to the owner-employee. For plan years commencing after 1989 the IRC1402(a)(12) factor is 1 minus 50% of the OASDI self employment tax rate which varies by year.

The Minimum Compensation is the pre-arranged minimum compensation amount for the specified owner-employee allocated from Profit prior to the application of the Profit%. The Minimum Compensation is included in the Profit column value.



**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Two-Group New Comparability Plan  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date coincident with or following the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Plan Contribution**

1st Year Amount \$67,600

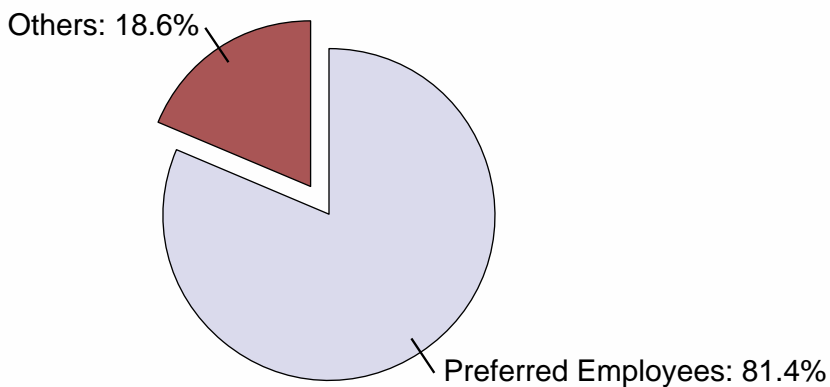
Allocation Based On Membership In Census Groups

**Pre-Retirement Death Benefit**

Investment Fund Value

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Two-Group New Comparability Plan  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

Plan Contributions



Participant Name	Ages		Service			Compensation		Initial Contribution			
	A	RA	P	F	T	\$Amount	%Total	\$Amount	%Total	%Pay	
Salmon, C	49	65	19	16	35	275,000	60.4%	55,000	81.4%	20.0%	P
Total Preferred						275,000	60.4%	55,000	81.4%	20.0%	P
All Participants						455,000	100.0%	67,600	100.0%	14.9%	

P indicates a preferred employee for plan design purposes.

Age: A is age as of the end of the plan year and RA is age as of the anticipated retirement date.

Service: P is past service, F is anticipated future service and T is anticipated total service at retirement.

The Initial Contribution illustrated includes the plan sponsor discretionary contribution, the IRC401(k) elective compensation deferrals and the plan sponsor's non-elective 'fail safe' contribution.

The illustrated Initial Contributions are estimates which depend on accurate sponsor and census data and the assumptions selected.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Two-Group New Comparability Plan  
PROPOSAL AS OF 12/31/2018  
Analysis of Plan Contributions**

<b>All Eligible Employees</b>					
<b>Employee</b>	<b>Annual</b>	<b>Contributions</b>			
<b>Name</b>	<b>Compensation</b>	<b>Profit Sharing</b>	<b>Elective Deferral</b>	<b>Non-elective</b>	<b>Total</b>
Salmon, C	275,000	36,750	10,000	8,250	55,000
Trout, B	70,000	1,400	2,100	2,100	5,600
Trout, R	60,000	1,200	0	1,800	3,000
Bass, S	50,000	1,000	1,500	1,500	4,000
All Employees	455,000	40,350	13,600	13,650	67,600

The Profit Sharing contribution illustrated is the participant's discretionary contribution, which varies in any plan year.

The Elective Deferral contribution illustrated is the participant's discretionary compensation deferral under the IRC401(k) provisions of the plan. The calendar amount of this contribution is limited by IRC402(g) rules.

The Non-elective contribution illustrated is a plan sponsor 'safe harbor' contribution to assure that the plan is non-discriminatory according to IRC401(k) rules.

Profit Sharing contributions are subject to the plan vesting schedule. IRC401(k) deferrals are always non-forfeitable.

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Profit Sharing Two-Group New Comparability Plan**  
**IRC401(a) Non-Discrimination Test Summary**  
**PROPOSAL AS OF 12/31/2018**

<b>Test Description</b>	<b>Test Basis</b>	<b>Test Status</b>
70% Ratio Percentage	Current Allocation	Fail
Non-Discriminatory Classification	Current Allocation	Fail
Average Benefits Percentage	Current Allocation	Fail
70% Ratio Percentage	Current Equivalent Benefit	Pass
Non-Discriminatory Classification	Current Equivalent Benefit	N/A
Average Benefits Percentage	Current Equivalent Benefit	N/A
Minimum Contribution Gateway	N/A	Pass

When the 70% Ratio Percentage Test is passed the Non-Discriminatory Classification and Average Benefits Percentage tests need not be considered.

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Profit Sharing Two-Group New Comparability Plan**  
**70% Ratio Percentage Test and Non-Discriminatory Classification Test**  
**Equivalent Benefit Test Basis**  
**PROPOSAL AS OF 12/31/2018**

**Equivalent Benefit Accrual Rate% Detail For Employees Included In The Test**

Employee		Ages		Annual Comp.	Tested Allocation				PV\$1 at VA	H C	P
Name	Id	VA	TA		\$Amount	%Pay	Ebar%nd	Ebar%			
Salmon, Coho	###-##-0001	49	65	275000	45000	16.36%	7.59%	7.82%	25.86	H	P
Trout, Brook	###-##-0002	29	65	70000	3500	5.00%	11.86%	12.42%	5.06		
Trout, Rainbow	###-##-0003	26	65	60000	3000	5.00%	15.15%	15.71%	3.96		
Bass, Spotted	###-##-0004	22	65	50000	2500	5.00%	21.00%	21.56%	2.86		
Totals				455000	54000						

IRC401(k)(12)(C) safe harbor non-elective compensation deferral, if any, is included in the illustrated allocation amount.

Annual compensation is illustrated.

**Ebar%** is the equivalent benefit accrual rate (as a percentage of compensation) used in the test. The Equivalent Benefit Accrual Rate% (EBAR%) is computed as 100 times the ratio of the applicable allocation (projected to the testing age and converted to an annual annuity benefit commencing at the testing age) to the current annual compensation. **Ebar%nd** is the Ebar% without imputed disparity.

**PV\$1 at VA** is the present value, as of the valuation age, of \$1 of single life annuity commencing on the testing age using the plan's actuarial equivalence assumptions.

**VA** is the age on the valuation date, 12/31/2018. **TA** is the testing age.

**HC** indicates IRC414(q) highly compensated status. **NHC** indicates non-highly compensated status.

**P** indicates preferred members of the census.

Testing age is the normal retirement age, or if greater the current age of the plan participant.

**Pre-Retirement Actuarial Equivalence Assumptions**

Interest: 8.50%

**Retirement Actuarial Equivalence Assumptions**

Interest: 8.50%

Mortality Table: 1984 Unisex Pension (UP-84)

Imputed disparity is used in the testing.

OASDI maximum taxable wage base: \$128400

OASDI covered compensation table: I - Maximum: \$118500 - Year: 2016

IRC401(l) maximum defined benefit disparity: 0.65%

IRC401(l) maximum defined contribution disparity: 5.70%

OASDI retirement age: 65 if birth date is before 01/01/1938, 67 if birthdate is after 12/31/1954, otherwise 66.

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**Profit Sharing Two-Group New Comparability Plan**  
**70% Ratio Percentage Test and Non-Discriminatory Classification Test**  
**Equivalent Benefit Test Basis**  
**PROPOSAL AS OF 12/31/2018**

**HC Rate Group Detail**

Highly Compensated Rate Group%	HC EEs		NHC EEs		NHC/HC Ratio%	Results	
	#In Rate Group	%Total HCEEs	#In Rate Group	%Total NHCEEs		R	N
7.82%	1	100.00%	3	100.00%	100.00%	P	P

The **Results R** column indicates the 70%Ratio test result for the rategroup. The **Results N** column indicates the NDC test result for the rategroup. P indicates pass and F indicates fail for the rategroup.

70% Ratio% Test Minimum Passing% [Applicable to each HC rate group]	70.00%
The 70% Ratio Percentage Test is satisfied	Passed
[The NHC/HC Ratio% is at least 70% for each HC rate group]	
#Highly Compensated Employees included in test	1
#Non-Highly Compensated Employees included in test	3
Non-Highly Compensated Concentration%	75.00%
Safe Harbor%	38.75%
Unsafe Harbor%	28.75%
Mid-point%	33.75%
#Benefiting Highly Compensated Employees	1
#Benefiting Non-Highly Compensated Employees	3
Minimum Passing% [Applicable to each HC rate group]	33.75%
The Non-discriminatory Classification Test is satisfied	Passed
[The NHC/HC Ratio% is at least the NDC Minimum Passing% for each HC rate group]	

Since the 70%Ratio% test passed, the IRC401(a) non-discrimination rules are satisfied. Therefore it is not necessary to pass the Non-discriminatory Classification and the Average Benefit% tests.

Generally, the IRC401(a) non-discrimination tests must be performed annually.

The effects on the testing of associated plans, if any, of the same sponsor are not considered.

**Salmon Enterprises Inc.  
Plan Designer Corp  
Profit Sharing Two-Group New Comparability Plan  
Minimum Contribution Gateway Test  
PROPOSAL AS OF 12/31/2018**

**Allocation Detail For Employees Included In The Test**

Employee		Compensation		Tested Allocation			H C
				\$Amount	%Compensation		
Name	Id#	Testing	IRC415		Testing	IRC415	
Salmon, Coho	###-##-0001	275000	329330	45000	16.36%	13.66%	H
Trout, Brook	###-##-0002	70000	70000	3500	5.00%	5.00%	
Trout, Rainbow	###-##-0003	60000	60000	3000	5.00%	5.00%	
Bass, Spotted	###-##-0004	50000	50000	2500	5.00%	5.00%	

**Minimum Contribution Gateway Test Results**

1	Highest HC Allocation as %Testing Compensation	16.36%
2	33.33% of the Highest HC Allocation as %Testing Compensation	5.45%
3	Lowest NHC Allocation as %Testing Compensation	5.00%
4	Lowest NHC Allocation as %IRC415 compensation	5.00%
5	The Minimum Contribution Gateway Test is satisfied	Passed
	[The allocation is not less than 5% IRC415 compensation for every NHC EE]	

The Minimum Contribution Gateway Test is required because the beginning of plan year is after 12/31/2001 and the plan design tests non-discrimination on a equivalent benefit basis.

HC indicates IRC414(q) highly compensated status and NHC indicates non-highly compensated status.

The allocation includes the plan sponsor's current and year-to-date contributions, including IRC401(a) regular profit sharing contribution, reallocated forfeitures (if any) and IRC401(k) qualified non-elective contribution (QNEC) contribution (if any).

Testing compensation is Plan Compensation

Generally, the IRC401(a) non-discrimination tests must be performed annually.

The effects on the testing of associated plans, if any, of the same sponsor are not considered.

**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**SIMPLE 401(k)**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date coincident with or following the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Retirement Benefit Normal Form**

Life Annuity

**Defined Contribution Formula**

Plan Sponsor IRC401(k) Safe Harbor Contribution: 2.00% Of Pay

IRC401(k) Compensation Deferral: Employee-Discretionary Contribution

**Pre-Retirement Death Benefit**

Investment Fund Value

**Top Heavy**

Not Applicable to 'Simple' Plans

**IR415 Limitation**

Maximum Allocation Amount: \$55,000

Maximum Allocation As %Pay: 100%

**Compensation**

Maximum Compensation: Up To \$275,000 Considered

**Accrued Benefit**

Accumulation of Contributions to Date

**Pre-retirement Assumptions**

Return on Fund: 3.00%



**Salmon Enterprises Inc.**  
**Plan Designer Corp**  
**SIMPLE 401(k)**  
**PLAN PROVISIONS AND ASSUMPTIONS**  
**PROPOSAL AS OF 12/31/2018**

**Retirement Assumptions**

Interest: 6.00%

Mortality: 1983 IAM MALE/FEMALE

**Vesting Schedule**

100% Immediate Vesting

**Salmon Enterprises Inc.  
Plan Designer Corp  
SIMPLE 401(k)  
PROPOSAL AS OF 12/31/2018  
EMPLOYEE CENSUS**

Employees Eligible to Participate in the Plan

Employee Name	Owner%	Sex	Ages			Dates				Annual Compensation	KHP
			Hire	Curr	Ret	Birth	Hire	Participation	Retirement		
Salmon, Coho	100.0%	M	30	49	65	01/21/1970	01/01/2000	01/01/2018	02/01/2035	275000	P
Trout, Brook		F	21	29	65	09/16/1989	12/01/2010	01/01/2018	10/01/2054	70000	
Trout, Rainbow		M	23	26	65	12/02/1992	12/01/2015	01/01/2018	01/01/2058	60000	
Bass, Spotted		M	19	22	65	02/02/1997	07/14/2016	01/01/2018	03/01/2062	50000	
Total										455000	
Preferred Total										275000	
Preferred %Total										60%	

K indicates an IRC416 Key employee

H indicates an IRC414 Highly Compensated employee

P indicates a preferred employee

**Salmon Enterprises Inc.  
Plan Designer Corp  
SIMPLE 401(k)  
PROPOSAL AS OF 12/31/2018  
BENEFITS AND CONTRIBUTIONS**

Participant Name	Annual Compensation	Anticipated Benefits			Initial Contribution		P
		Monthly Retirement	Lump Sum		\$Amount	%Pay	
			Retirement	Death			
Salmon, C	275,000	2,657.96	337,305	15,500	15,500	5.6%	P
Trout, B	70,000	1,646.75	231,610	3,500	3,500	5.0%	
Trout, R	60,000	1,782.49	226,204	3,000	3,000	5.0%	
Bass, S	50,000	1,754.25	222,621	2,500	2,500	5.0%	
<b>TOTAL</b>	<b>455,000</b>			<b>24,500</b>	<b>24,500</b>	<b>5.4%</b>	
Preferred Employees	275,000			15,500	15,500	5.6%	P
%Total to Preferred	60.4%			63.3%	63.3%		P

P indicates a preferred employee for plan design purposes.

The illustrated benefits and current contributions are estimates. Illustrated benefits may not be guaranteed. The values illustrated depend on accurate sponsor and census data and the assumptions selected. Availability of the monthly retirement benefit commencing at the retirement date or the lump sum at retirement depends on the plan provisions. The pre-retirement death benefit illustration assumes that the initial plan sponsor contribution will be made. The pre-retirement death benefit in subsequent plan years will be based on the participant's account balance which will change with additional future contributions and investment results.

The Initial Contribution illustrated includes the plan sponsor discretionary contribution, the IRC401(k) elective compensation deferrals and the plan sponsor's non-elective 'fail safe' contribution.

**Salmon Enterprises Inc.  
Plan Designer Corp  
SIMPLE 401(k)  
PROPOSAL AS OF 12/31/2018  
Owner Employee Earned Income Analysis**

Owner-Employee				Initial Plan Contribution		Deductible	Earned	Elective	Compensation	
Name	Pct	Minimum	Profit	Owner	Common Law	OASDI Tax	Income	Deferral	Plan	OASDI
Salmon, C	100%	0	400,000	15,500	9,000	13,122	377,878	10,000	372,380	361,089
Total	100%	0	400,000	15,500	9,000	13,122	377,878	10,000	372,380	361,089

1	Schedule C or K-1 earnings ('Profit') for the plan sponsor	\$400,000
2	Common-law Plan Cost	\$9,000
3	Deductible OASDI Tax for Owner-employees	\$13,122
4	Owner-employee Earned Income [(1) - {(2) + (3)}]	\$377,878
5	Initial Plan Contribution for Owner-employees	\$15,500
6	Owner-employee Elective Deferral	\$10,000
7	Owner-employee Plan Compensation [(4) - {(5) - (6)}]	\$372,378
8	Iterative Roundoff Error [(7) - Iteratively Computed Plan Compensation (\$372,380)]	-\$2

Iterative roundoff error arises because earned income is computed by a repetitive algorithm using results from consecutive estimates to obtain a final result with the illustrated accuracy. In general an explicit formula for earned income without an iterative algorithm is not mathematically possible.

The initial plan contribution for an owner-employee is the total of the account additions under the plan based on plan compensation for the owner-employee. The employee-elective compensation deferral, if any, for the owner-employee is included in the initial plan contribution for the owner-employee. The common-law plan cost is the total of the account additions under the plan for the non-owner-employee plan participants.

The plan compensation for an owner-employee is the owner-employee's earned income reduced by the initial plan contribution for the owner-employee and increased by the employee-elective compensation deferral, if any, for the owner-employee. The owner-employee earned income is the portion of the profit attributable to the owner-employee which is subject to federal income tax. It is the excess, if any, of the portion of the Schedule C or K-1 earnings attributable to the owner-employee over the sum of the deductible portion of the OASDI tax for the owner-employee and the portion of the common law plan cost attributable to the owner-employee. It includes the initial plan contribution made on behalf of the owner-employee.

The deductible OASDI tax is the portion of the Social Security Old Age, Survivors and Disability Income tax which is deemed to be paid by the employer. The OASDI compensation is the IRC1402(a)(12) factor times the portion of the Schedule C earnings attributable to the owner-employee less the portion of the common-law plan costs attributable to the owner-employee. For plan years commencing after 1989 the IRC1402(a)(12) factor is 1 minus 50% of the OASDI self employment tax rate which varies by year.

The Minimum Compensation is the pre-arranged minimum compensation amount for the specified owner-employee allocated from Profit prior to the application of the Profit%. The Minimum Compensation is included in the Profit column value.

**Salmon Enterprises Inc.  
Plan Designer Corp  
SIMPLE 401(k)  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

**Plan Effective Date**

January 1, 2018

**Plan Participation Eligibility**

Minimum Age: None

Minimum Service: None

Timing: Plan entry date coincident with or following the 'satisfaction date'.

Entry date: 01/01

**Retirement Eligibility**

Minimum age: 65 years

Minimum participation: 5 years

Minimum age and participation required

Timing: 1st day of month on or after attainment of retirement age

**Plan Contribution**

1st Year Amount \$24,500

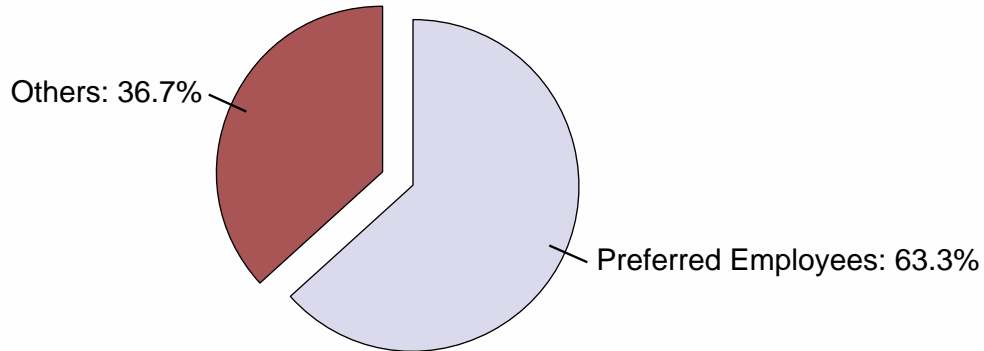
Allocation Based On Compensation

**Pre-Retirement Death Benefit**

Investment Fund Value

**Salmon Enterprises Inc.  
Plan Designer Corp  
SIMPLE 401(k)  
PLAN CONTRIBUTIONS  
PROPOSAL AS OF 12/31/2018**

Plan Contributions



Participant Name	Ages		Service			Compensation		Initial Contribution			
	A	RA	P	F	T	\$Amount	%Total	\$Amount	%Total	%Pay	
Salmon, C	49	65	19	16	35	275,000	60.4%	15,500	63.3%	5.6%	P
Total Preferred						275,000	60.4%	15,500	63.3%	5.6%	P
All Participants						455,000	100.0%	24,500	100.0%	5.4%	

P indicates a preferred employee for plan design purposes.

Age: A is age as of the end of the plan year and RA is age as of the anticipated retirement date.

Service: P is past service, F is anticipated future service and T is anticipated total service at retirement.

The Initial Contribution illustrated includes the plan sponsor discretionary contribution, the IRC401(k) elective compensation deferrals and the plan sponsor's non-elective 'fail safe' contribution.

The illustrated Initial Contributions are estimates which depend on accurate sponsor and census data and the assumptions selected.

**Salmon Enterprises Inc.  
Plan Designer Corp  
SIMPLE 401(k)  
PROPOSAL AS OF 12/31/2018  
Analysis of Plan Contributions**

<b>All Eligible Employees</b>				
<b>Employee</b>	<b>Annual Compensation</b>	<b>Contributions</b>		
<b>Name</b>		<b>Elective Deferral</b>	<b>Non-elective</b>	<b>Total</b>
Salmon, C	275,000	10,000	5,500	15,500
Trout, B	70,000	2,100	1,400	3,500
Trout, R	60,000	1,800	1,200	3,000
Bass, S	50,000	1,500	1,000	2,500
All Employees	455,000	15,400	9,100	24,500

The Elective Deferral contribution illustrated is the participant's discretionary compensation deferral under the IRC401(k) provisions of the plan. The calendar amount of this contribution is limited by IRC402(g) rules.

The Non-elective contribution illustrated is a plan sponsor 'safe harbor' contribution to assure that the plan is non-discriminatory according to IRC401(k) rules.

IRC401(k) deferrals are always non-forfeitable.