

**DATAIR 401(k) with Cash Balance Plan Design 1**

**Combined Reports for Cash Balance and 401(K) Plan**

**For the plan year 1/1/2013 through 12/31/2013**

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**Three Digit Plan Number: 100**



# Employee Census

## Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

Key	Percent Owner	- SVC -		Gender	— Ages —			— Dates —				Compensation	Hours Worked	HCE	OEX	
		PS	FS		PA	AA	ARA	Birth	Hire	Part	Retire					
<b>Janie Ash</b>																
		8	24	F	32	38	62	09/05/75	08/22/05	01/01/08	10/01/37	\$59,500.00		*		
<b>Taylor Birch</b>																
		7	27	M	28	34	62	03/18/79	11/16/06	01/01/08	04/01/41	\$49,500.00		*		
<b>Sally Cypress</b>																
		12	11	F	44	50	62	04/08/63	01/03/02	01/01/08	05/01/25	\$85,000.00		*		
<b>Todd Filbert</b>																
		5	34	M	22	27	62	02/28/86	09/14/07	04/01/08	03/01/48	\$55,000.00		*		
<b>Susie Ironwood</b>																
		9	40	F	18	22	62	12/03/91	10/10/03	01/01/10	01/01/54	\$44,500.00		*		
<b>John Redbud</b>																
		12	16	M	40	46	62	08/19/67	07/03/02	01/01/08	09/01/29	\$64,000.00		*		
<b>Sam Zelkova</b>																
Y	100.00	11	7	M	49	55	62	10/16/58	03/14/03	01/01/08	11/01/20	\$440,000.00		*	Y	
<b>Total:</b>												\$797,500.00				

	Count	Compensation
Active Fully Vested Benefits	0	\$0
Active Partially Vested Benefits	0	\$0
Active Without Vested Benefits	7	\$797,500
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.

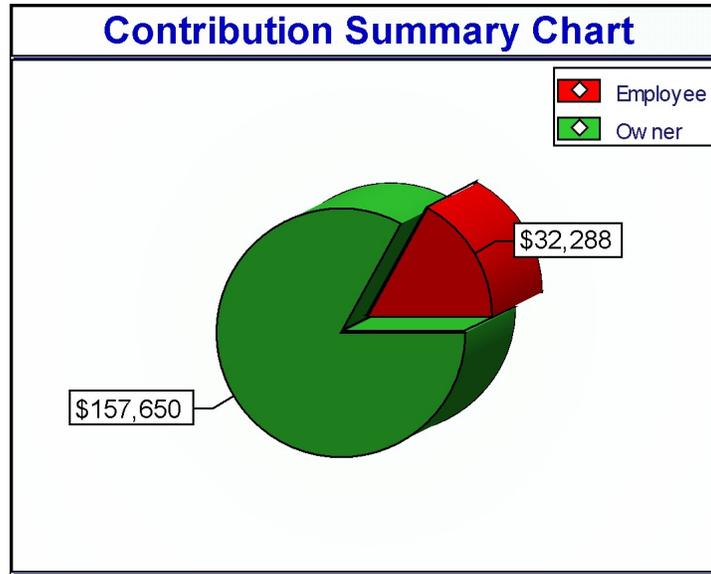
Key:	
AA=Attained Age	PA=Participation Age
FS=Future Service	PS=Past Service
HCE=Highly Compensated Employee	ARA=Assumed Retirement Age
OEX=Otherwise Excludable	



# Contribution Summary

## Combined Reports for Cash Balance and 401(K) Plan For the plan year 1/1/2013 through 12/31/2013

	Contribution									
	Compensation	401(k)	Safe Harbor	401(m)	Employer	Pct of Comp	Cash Balance*	Pct of Comp	Total Contrib	Pct of Total
<b>Owner Total</b>	255,000	23,000	0	0	7,650	3.0	150,000	58.8	157,650	83.00
<b>Employee Total</b>	357,500	14,300	10,725	0	10,725	6.0	10,838	3.0	32,288	17.00
<b>Totals:</b>	<b>\$612,500</b>	<b>\$37,300</b>	<b>\$10,725</b>	<b>\$0</b>	<b>\$18,375</b>		<b>\$160,838</b>		<b>\$189,938</b>	



## Contribution Detail

Ret Age	Age	Own	Contribution									
			Compensation	401(k)	Safe Harbor	401(m)	Employer	Pct of Comp	Cash Balance*	Pct of Comp	Total Contrib	Pct of Total
<b>Owner</b>												
<b>Sam Zelkova</b>												
55	62	x	255,000	23,000	0	0	7,650	3.0	150,000	58.8	157,650	83.00
Subtotals:			\$255,000	\$23,000	\$0	\$0	\$7,650	3.0	\$150,000	58.8	\$157,650	83.00
<b>Employee</b>												
<b>Janie Ash</b>												
38	62		59,500	2,380	1,785	0	1,785	6.0	1,617	2.7	5,187	2.73
<b>Taylor Birch</b>												
34	62		49,500	1,980	1,485	0	1,485	6.0	1,150	2.3	4,120	2.17
<b>Sally Cypress</b>												
50	62		85,000	3,400	2,550	0	2,550	6.0	3,699	4.4	8,799	4.63

\* Cash Balance Contribution represents the estimated pay credit to the hypothetical account and not the actual funding requirement.



## Contribution Summary

### Combined Reports for Cash Balance and 401(K) Plan For the plan year 1/1/2013 through 12/31/2013

### Contribution Detail

			Contribution									
Ret Age	Age	Own	Compensation	401(k)	Safe Harbor	401(m)	Employer	Pct of Comp	Cash Balance*	Pct of Comp	Total Contrib	Pct of Total
<b>Employee</b>												
<b>Todd Filbert</b>												
27	62		55,000	2,200	1,650	0	1,650	6.0	1,100	2.0	4,400	2.32
<b>Susie Ironwood</b>												
22	62		44,500	1,780	1,335	0	1,335	6.0	890	2.0	3,560	1.87
<b>John Redbud</b>												
46	62		64,000	2,560	1,920	0	1,920	6.0	2,381	3.7	6,221	3.28
Subtotals:			\$357,500	\$14,300	\$10,725	\$0	\$10,725	6.0	\$10,838	3.0	\$32,287	17.00
Totals:			\$612,500	\$37,300	\$10,725	\$0	\$18,375		\$160,838		\$189,938	

\* Cash Balance Contribution represents the estimated pay credit to the hypothetical account and not the actual funding requirement.



## Deductible Contribution Limit

### Combined Reports for Cash Balance and 401(K) Plan For the plan year 1/1/2013 through 12/31/2013

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Total DC Participating Compensation	\$612,500.00
25% of DC Compensation	\$153,125.00
6% of DC Compensation	\$36,750.00
Total Employer DC Contribution	\$29,100.00
DC Contribution as Percent of DC Compensation (must be 25% or less)	4.75%

DC Contribution Passes Deductibility Test

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Total DB/DC Participating Compensation	\$612,500.00
25% of DB/DC Compensation	\$153,125.00
DB Minimum Required Contribution at Val Date (MRC)	\$138,277.00
DB Maximum Contribution (404(o))	\$160,837.00

DB/DC Deductibility Test Does Not Apply

DC Contribution is 6% or less of DC Participating Compensation. 404(a)(7) combined plan limit does not apply. DB Contribution must be at least MRC and no more than DB Maximum.



# 410(b) Minimum Coverage Test

## Combined Reports for Cash Balance and 401(K) Plan For the plan year 1/1/2013 through 12/31/2013

**Passed 410(b) Minimum Coverage Test**

### I. Ratio Percentage Test - **Passed**

Passed		
Satisfied Plan Eligibility		
— Number of Participants —		
NHCE's	HCE's	Total
A. Benefiting	6	7
B. Not Benefiting	0	0
C. Total	6	7

D. Percentage (A/C)    100.00%    100.00%

E. Ratio Percentage (NHCE's/HCE's)                      d  
(must be 70% or more)

Ratio percentage exception codes: a=Only HCE's, b=No HCE's benefiting, d=All NHCE's benefiting

### II. Average Benefit Test - **Passed**

#### A. Nondiscriminatory Classification Test

	<b>Passed</b>
1. NHCE's Concentration Percentage	85.71
2. Safe Harbor Percentage	31.25
3. Unsafe Harbor Percentage	21.25
4. Ratio Percentage	d

Ratio Percentage is greater than or equal to Safe Harbor Percentage    **Passed**

#### All Together

#### B. Average Benefit Percentage Test

1. Average Benefit Percentage of NHCE's
2. Average Benefit Percentage of HCE's
3. Average Benefit Percentage (B1/B2)  
(must be 70% or more)

Benefit Basis				Equivalent Contribution Basis	
Annual		Accrued-to-Date		Annual	
w/o PD	with PD	w/o PD	with PD	w/o PD	with PD
13.65	14.15	4.36	4.85	10.71	14.42
7.62	7.80	2.03	2.21	36.50	39.04
179.13%	181.41%	214.78%	219.46%	29.34%	36.94%
<b>Pass</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>	<b>Fail</b>	<b>Fail</b>



# 410(b) Minimum Coverage Test

## Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

		Testing			Benefit Accruals			Benefit Basis				Equivalent Contribution Basis		
H	B	O	Att	Testing	Past	Annual	Annual	Accrued-	Annual	Accrued-to-Date	Annual			
C	E	E	Age	Age	Svc	Compensation	Method	to-Date	w/o PD	with PD	w/o PD	with PD		
E	N	X	Age	Age	Svc	Compensation	Method	to-Date	w/o PD	with PD	w/o PD	with PD		
<b>Non-Highly Compensated</b>														
<b>Janie Ash</b>														
Y	38	62	6			59,500.00	24.80	4.13	8.84	9.34	2.68	3.18	10.60	14.20
<b>Taylor Birch</b>														
Y	34	62	6			49,500.00	20.63	3.44	12.07	12.57	3.76	4.26	10.43	13.86
<b>Sally Cypress</b>														
Y	50	62	6			85,000.00	35.43	5.91	3.63	4.13	1.12	1.60	11.59	16.18
<b>Todd Filbert</b>														
Y	27	62	6			55,000.00	25.96	4.33	21.04	21.54	6.29	6.79	10.28	13.56
<b>Susie Ironwood</b>														
Y	22	62	4			44,500.00	25.56	6.39	31.49	31.99	10.78	11.28	10.22	13.44
<b>John Redbud</b>														
Y	46	62	6			64,000.00	26.68	4.45	4.84	5.34	1.52	2.02	11.15	15.30
Subtotals:						\$357,500.00			81.91	84.91	26.15	29.13	64.27	86.54
Total NHCE's						6								
Average Benefit Percentage									13.65	14.15	4.36	4.85	10.71	14.42
<b>Highly Compensated</b>														
<b>Sam Zelkova</b>														
Y	Y	55	62	6		255,000.00	1,180.72	196.79	7.62	7.80	2.03	2.21	36.50	39.04
Subtotals:						\$255,000.00			7.62	7.80	2.03	2.21	36.50	39.04
Total HCE's						1								
Average Benefit Percentage									7.62	7.80	2.03	2.21	36.50	39.04
Average Benefit Percentage Test									179.13%	181.41%	214.78%	219.46%	29.34%	36.94%
									Pass	Pass	Pass	Pass	Fail	Fail



# Top Heavy Test

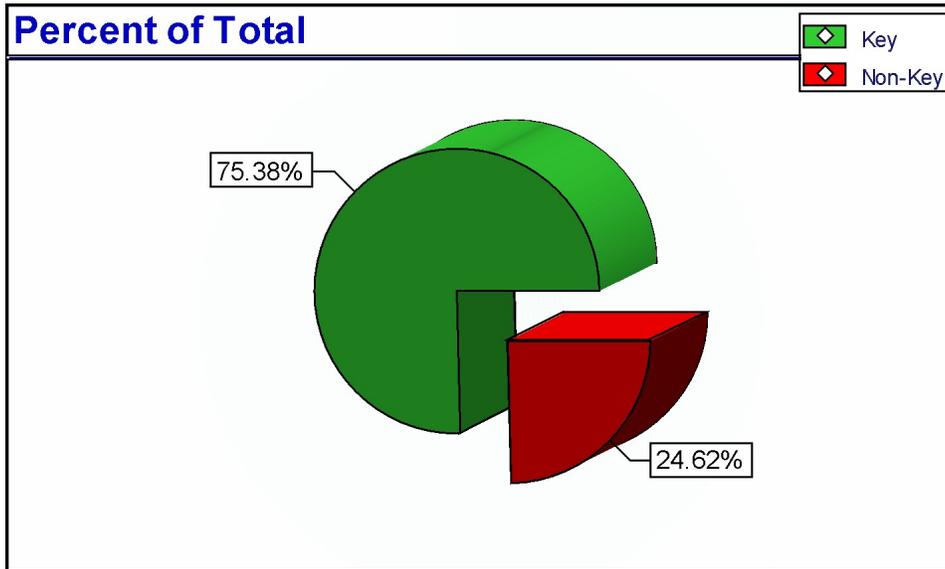
## Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

The Plan is Top Heavy for the Next Plan Year

Employee Classification	Employees Considered	Account Bal/PVAB	Receivable	Excluded Bal/PVAB	Prior Distributions	Adjusted Bal/PVAB	Percent of Total
Key Employees	1	236,150.00	0.00	0.00	0.00	236,150.00	75.38%
Non-Key Employees	6	77,115.64	0.00	0.00	0.00	77,115.64	24.62%
Totals:	7	\$313,265.64	\$0.00	\$0.00	\$0.00	\$313,265.64	100.00%

### Percent of Total



# Top Heavy Test (detail)

## Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

Key Status	Total Bal/PVAB	Receivable	Excluded Bal/PVAB	Distributions					Adjusted Bal/PVAB
				Current Year	Prior Year (-1)	Prior Year (-2)	Prior Year (-3)	Prior Year (-4)	
<b>Key Employees</b>									
<b>Sam Zelkova</b>									
Key	236,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236,150.00
<b>Subtotals:</b>									
	\$236,150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$236,150.00
<b>Non-Key Employees</b>									
<b>Janie Ash</b>									
Non-Key	12,737.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,737.46
<b>Taylor Birch</b>									
Non-Key	10,577.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,577.74
<b>Sally Cypress</b>									
Non-Key	20,599.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,599.43
<b>Todd Filbert</b>									
Non-Key	11,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,100.00
<b>Susie Ironwood</b>									
Non-Key	7,020.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,020.00
<b>John Redbud</b>									
Non-Key	15,081.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,081.01
<b>Subtotals:</b>									
	\$77,115.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$77,115.64
<b>Excluded Employees</b>									
<b>Grand Total:</b>									
	\$313,265.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$313,265.64



## 401(a)(26) Minimum Participation Test (Detail)

### Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

Passed 401(a)(26) Minimum  
Participation Test

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A. Total Number of Employees	7
B. Excludable Employees	0
C. Total Not Excluded (A-B)	7
D. Total Benefiting	7
E. 40% of (C. Total Not Excluded)	3
F. Lesser of 50 or (E)	3

Passes 401(a)(26) Minimum Participation Test if (F) not greater than (D)



# 401(a)(4) Minimum Allocation Gateway

## Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

**Minimum Allocation Gateway -- Passed** - Highest HCE DB/DC Aggregate Allocation Rate Exceeds 25% and the Lowest NHCE Rate Is at Least 5% Plus 1% for Every 5% of Excess

A. Percentage of NHCEs benefiting primarily in the DB plan	0.00%	
B. Highest HCE DB/DC Aggregate Allocation Rate	29.64%	Minimum NHCE - 6.00%
C. Lowest NHCE DB/DC Aggregate Allocation Rate	6.71%	Ash, J
D. Average NHCE DB Equivalent Allocation Rate	0.71%	
E. Lowest NHCE DB/DC Aggregate Allocation Rate (415(c) Comp)	6.71%	
F. Average NHCE DB Equivalent Allocation Rate (415(c) Comp)	0.71%	

Reg. 1.401(a)(4)-9(b) for DC plans combined with DB plans allow 401(a)(4) cross testing (i.e. contributions are tested as equivalent benefits) if the combination:

- (1) is Primarily Defined Benefit in Nature (A. is more than 50%),  
Or
- (2) satisfies a Gateway Requirement. The Gateway is satisfied If :
  - (a) B. is less than 15% And no more than 3 times C.,
  - (b) B. is 15% to 25% And C. is at least 5%, Or
  - (c) B. exceeds 25% And C. is at least 5% plus 1% for each 5% increment (Or portion thereof) that B. exceeds 25%,  
Or
- (3) E. is 7.5% Or greater,  
Or
- (4) consists of Broadly Available Separate Plans.



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

### Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

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	-	85.71%
Safe Harbor Percent	-	31.25%
Mid-Point	-	26.25%
Unsafe Harbor Percent	-	21.25%

**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	6.19	7.84	3	6	50	1	1	100	50	Pass



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

### Combined Reports for Cash Balance and 401(K) Plan

For the plan year 1/1/2013 through 12/31/2013

**All Together**

**Passed** Method: Annual without Permitted Disparity

	H C E	Rate		Rate
		Norm	MVAR	Group 1
				≥ 6.19
				≥ 7.84
Sam Zerkova	Y	6.19	7.84	Y
		Number of HCE's in group:		1
		Total number of HCE's:		1
		Percent of HCE's		100%
Janie Ash		5.50	6.24	*
Taylor Birch		7.44	8.39	Y
Sally Cypress		2.38	2.66	*
Todd Filbert		12.85	14.44	Y
Susie Ironwood		19.17	21.69	Y
John Redbud		3.10	3.51	*
		Number of NHCE's in group:		3
		Total number of NHCE's:		6
		Percent of NHCE's		50%
Ratio percent of NHCE's/HCE's:				50%



# Combined Reports for Cash Balance and 401(K) Plan Combined Participant Account Statement

**John . Redbud**

**For the plan year 1/1/2013 through 12/31/2013**

Employee Number:		SSN:	
Date of Birth:	08/19/1967	Gender:	M
Date of Employment:	07/03/2002	Attained Age:	46
Date of Participation:	01/01/2008	Retirement Age:	62

Source of Funds	Beginning Balance	Contribution	Gain/Loss	Forfeitures	Distributions & Adjustments	Ending Balance	Vest Pct
<b>Prof shr</b>							<b>100</b>
Pooled	3,000.00	1,920.00	0.00	0.00	0.00	4,920.00	
<b>401(k) ADP Safe Harbor Nonelective</b>							<b>100</b>
Pooled	0.00	1,920.00	0.00	0.00	0.00	1,920.00	
<b>Salary Reduction</b>							<b>100</b>
Pooled	3,000.00	2,560.00	0.00	0.00	0.00	5,560.00	
<b>Matching</b>							<b>100</b>
Pooled	300.00	0.00	0.00	0.00	0.00	300.00	
<b>Cash Balance</b>							<b>100</b>
Cash Balance	0.00	2,381.01	0.00	0.00	0.00	2,381.01	
<b>Total:</b>	<b>\$6,300.00</b>	<b>\$8,781.01</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$15,081.01</b>	
<b>Total Account Balance:</b>	<b>\$15,081.01</b>						
<b>Total Vested Amount:</b>	<b>\$15,081.01</b>						



# Combined Reports for Cash Balance and 401(K) Plan Combined Participant Account Statement

**Sam . Zelkova**

**For the plan year 1/1/2013 through 12/31/2013**

Employee Number:		SSN:	
Date of Birth:	10/16/1958	Gender:	M
Date of Employment:	03/14/2003	Attained Age:	55
Date of Participation:	01/01/2008	Retirement Age:	62

Source of Funds	Beginning Balance	Contribution	Gain/Loss	Forfeitures	Distributions & Adjustments	Ending Balance	Vest Pct
<b>Prof shr</b>							<b>100</b>
Pooled	30,750.00	7,650.00	0.00	0.00	0.00	38,400.00	
<b>Salary Reduction</b>							<b>100</b>
Pooled	22,500.00	23,000.00	0.00	0.00	0.00	45,500.00	
<b>Matching</b>							<b>100</b>
Pooled	2,250.00	0.00	0.00	0.00	0.00	2,250.00	
<b>Cash Balance</b>							<b>100</b>
Cash Balance	0.00	150,000.00	0.00	0.00	0.00	150,000.00	
<b>Total:</b>	<b>\$55,500.00</b>	<b>\$180,650.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$236,150.00</b>	
Total Account Balance:	\$236,150.00						
<b>Total Vested Amount:</b>	<b>\$236,150.00</b>						

