

# Forest Green

## Financial Planning Report Illustration

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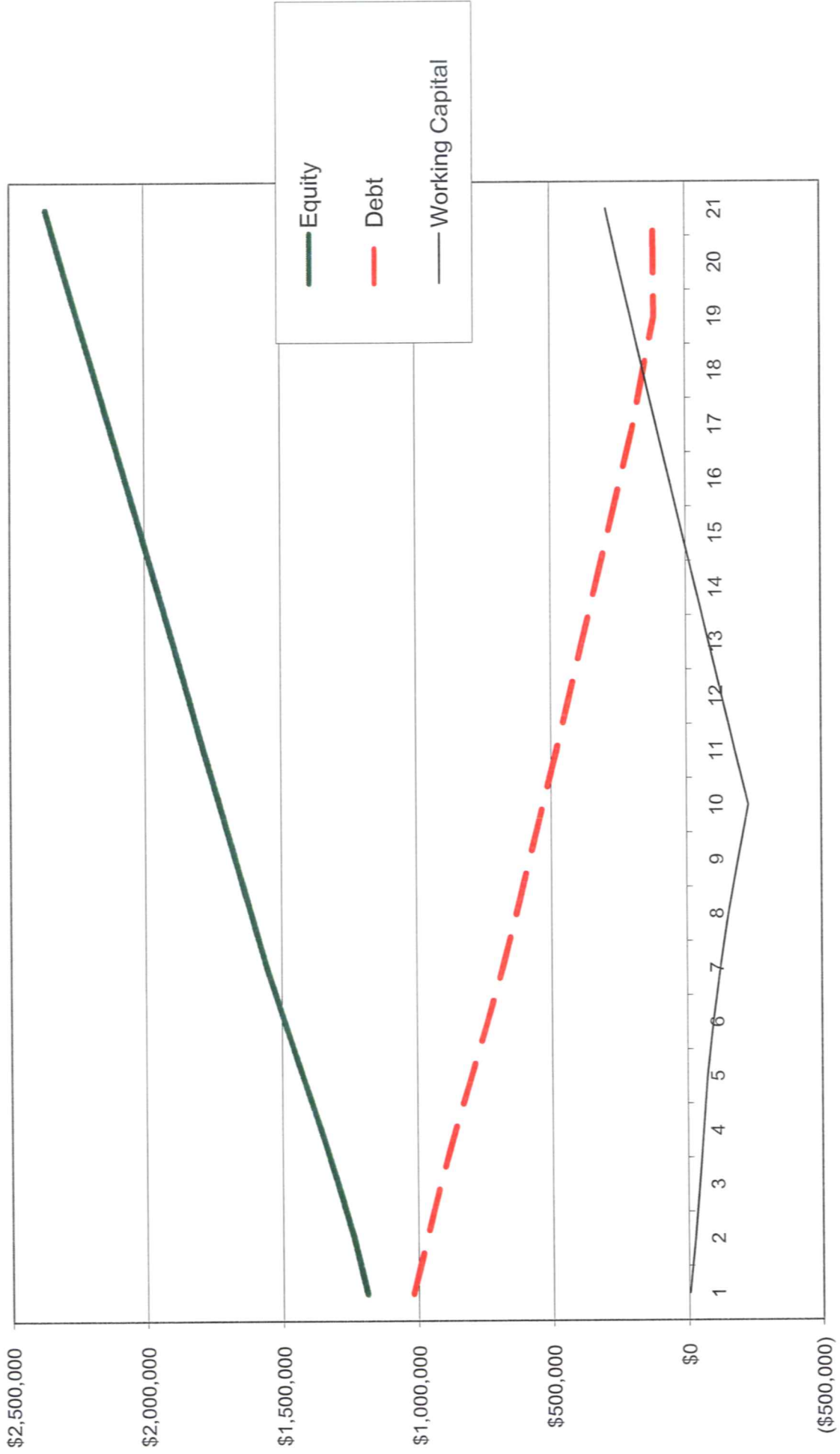
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# **Benchmark of On-Going Operation**

**This Section Illustrates the  
Performance of the On-Going  
Business**

# FINANCIAL ILLUSTRATION BENCHMARK STUDY OF ON-GOING OPERATION



Forest Green  
Benchmark of On-Going Operation  
FINANCIAL ANALYSIS

|                                 | 2009             | 2010             | 2011             | 2012             | 2013             | 2014             | 2015             | 2016             | 2017             | 2018             | 2019             | 2020             | 2021             | 2022             | 2023             | 2024             |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>INCOME STATEMENT SUMMARY</b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Operating Revenue               | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      | \$3,000,000      |
| Change in Inventories           | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Operating Expense               | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      | \$2,530,000      |
| Change in AP & Accrued Int.     | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Interest Expense                | \$70,900         | \$64,144         | \$61,339         | \$58,056         | \$54,453         | \$50,420         | \$46,563         | \$42,945         | \$39,913         | \$37,109         | \$34,290         | \$29,790         | \$25,290         | \$20,790         | \$16,290         | \$12,790         |
| Owner Draw                      | \$60,000         | \$61,800         | \$63,654         | \$65,564         | \$67,531         | \$69,556         | \$71,643         | \$73,792         | \$76,006         | \$78,286         | \$80,635         | \$83,054         | \$85,546         | \$88,112         | \$90,755         | \$93,400         |
| Depreciation                    | \$232,500        | \$232,875        | \$233,156        | \$233,360        | \$233,499        | \$233,585        | \$233,627        | \$233,635        | \$233,613        | \$233,569        | \$233,506        | \$233,429        | \$233,341        | \$233,246        | \$233,144        | \$233,044        |
| <b>Net Income</b>               | <b>\$106,600</b> | <b>\$111,181</b> | <b>\$111,851</b> | <b>\$113,021</b> | <b>\$114,517</b> | <b>\$116,438</b> | <b>\$118,167</b> | <b>\$119,628</b> | <b>\$121,036</b> | <b>\$121,468</b> | <b>\$121,569</b> | <b>\$123,727</b> | <b>\$125,823</b> | <b>\$127,852</b> | <b>\$129,811</b> | <b>\$131,774</b> |
| Other Income                    | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Gains / Losses on Ret. Plan     | \$3,000          | \$3,320          | \$3,653          | \$3,999          | \$4,359          | \$4,733          | \$5,123          | \$5,527          | \$5,949          | \$6,386          | \$6,842          | \$7,316          | \$7,808          | \$8,321          | \$8,853          | \$9,400          |
| Asset Appreciation              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Est. Income Tax Allowance       | \$62,000         | \$58,000         | \$54,000         | \$50,000         | \$50,000         | \$57,000         | \$66,000         | \$68,000         | \$69,000         | \$70,000         | \$70,000         | \$74,000         | \$76,000         | \$78,000         | \$80,000         | \$82,000         |
| <b>Retained Earnings</b>        | <b>\$47,600</b>  | <b>\$56,501</b>  | <b>\$61,504</b>  | <b>\$67,020</b>  | <b>\$65,876</b>  | <b>\$64,172</b>  | <b>\$57,289</b>  | <b>\$57,155</b>  | <b>\$57,417</b>  | <b>\$57,423</b>  | <b>\$56,411</b>  | <b>\$57,042</b>  | <b>\$57,631</b>  | <b>\$58,173</b>  | <b>\$58,664</b>  | <b>\$59,155</b>  |

|                              |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>BALANCE SHEET SUMMARY</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Current Assets               | \$310,000          | \$300,000          | \$300,416          | \$300,672          | \$300,612          | \$300,265          | \$300,022          | \$300,390          | \$300,844          | \$300,326          | \$300,401          | \$300,557          | \$300,722          | \$300,819          | \$300,774          | \$300,774          |
| Fixed Assets                 | \$1,900,000        | \$1,905,500        | \$1,910,945        | \$1,916,442        | \$1,922,081        | \$1,927,941        | \$1,934,089        | \$1,940,584        | \$1,947,477        | \$1,954,813        | \$1,962,630        | \$1,970,966        | \$1,979,852        | \$1,989,319        | \$1,999,394        | \$2,010,104        |
| <b>Total Assets</b>          | <b>\$2,210,000</b> | <b>\$2,205,500</b> | <b>\$2,211,845</b> | <b>\$2,216,858</b> | <b>\$2,222,753</b> | <b>\$2,234,355</b> | <b>\$2,240,607</b> | <b>\$2,247,867</b> | <b>\$2,255,656</b> | <b>\$2,262,956</b> | <b>\$2,271,367</b> | <b>\$2,280,410</b> | <b>\$2,290,041</b> | <b>\$2,300,214</b> | <b>\$2,310,878</b> | <b>\$2,321,000</b> |
| Current Liabilities          | \$314,100          | \$325,156          | \$342,491          | \$358,124          | \$374,077          | \$396,370          | \$423,037          | \$453,895          | \$491,627          | \$531,123          | \$481,000          | \$433,000          | \$385,000          | \$337,000          | \$289,000          | \$241,000          |
| Term Liabilities             | \$705,900          | \$642,744          | \$575,253          | \$503,129          | \$426,052          | \$343,682          | \$258,645          | \$176,750          | \$89,123           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Total Liabilities</b>     | <b>\$1,020,000</b> | <b>\$967,900</b>   | <b>\$917,744</b>   | <b>\$861,253</b>   | <b>\$800,129</b>   | <b>\$740,052</b>   | <b>\$681,682</b>   | <b>\$630,645</b>   | <b>\$580,750</b>   | <b>\$531,123</b>   | <b>\$481,000</b>   | <b>\$433,000</b>   | <b>\$385,000</b>   | <b>\$337,000</b>   | <b>\$289,000</b>   | <b>\$241,000</b>   |
| <b>Owner's Equity</b>        | <b>\$1,190,000</b> | <b>\$1,237,600</b> | <b>\$1,294,101</b> | <b>\$1,355,605</b> | <b>\$1,422,625</b> | <b>\$1,488,501</b> | <b>\$1,552,673</b> | <b>\$1,609,962</b> | <b>\$1,667,117</b> | <b>\$1,724,534</b> | <b>\$1,781,956</b> | <b>\$1,838,367</b> | <b>\$1,895,410</b> | <b>\$1,953,041</b> | <b>\$2,011,214</b> | <b>\$2,069,878</b> |
| Change in Equity             | \$47,600           | \$56,501           | \$61,504           | \$67,020           | \$65,876           | \$64,172           | \$57,289           | \$57,155           | \$57,417           | \$57,423           | \$56,411           | \$57,042           | \$57,631           | \$58,173           | \$58,664           | \$59,155           |

|                               |          |           |           |           |           |           |            |            |            |            |            |            |           |           |          |          |
|-------------------------------|----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|-----------|-----------|----------|----------|
| <b>FINANCIAL FACTORS</b>      |          |           |           |           |           |           |            |            |            |            |            |            |           |           |          |          |
| Working Capital               | -\$4,100 | -\$25,156 | -\$41,591 | -\$57,708 | -\$73,404 | -\$95,758 | -\$122,772 | -\$153,873 | -\$191,238 | -\$230,279 | -\$180,674 | -\$132,599 | -\$84,443 | -\$36,278 | \$11,819 | \$59,774 |
| Working Capital to Revenue    | -        | -1%       | -1%       | -2%       | -2%       | -3%       | -4%        | -5%        | -6%        | -8%        | -6%        | -4%        | -3%       | -1%       | 0%       | 2%       |
| Owner Equity                  | 54%      | 56%       | 59%       | 61%       | 64%       | 67%       | 69%        | 72%        | 74%        | 76%        | 79%        | 81%        | 83%       | 85%       | 87%      | 90%      |
| Operating Margin <sup>1</sup> | -        | 11%       | 11%       | 12%       | 12%       | 12%       | 12%        | 12%        | 12%        | 12%        | 12%        | 12%        | 12%       | 12%       | 12%      | 12%      |
| Return on Equity              | -        | 9.0%      | 9.0%      | 8.6%      | 8.3%      | 8.0%      | 7.8%       | 7.6%       | 7.4%       | 7.2%       | 7.0%       | 6.8%       | 6.7%      | 6.6%      | 6.5%     | 6.5%     |
| Return on Assets              | -        | 8.0%      | 7.9%      | 7.8%      | 7.7%      | 7.6%      | 7.5%       | 7.4%       | 7.3%       | 7.1%       | 7.0%       | 6.9%       | 6.8%      | 6.6%      | 6.5%     | 6.4%     |
| Repayment Capacity            | -        | 158%      | 157%      | 155%      | 153%      | 151%      | 149%       | 151%       | 163%       | 160%       | 166%       |            |           |           |          |          |

Actual Results may be dramatically different depending upon actual pricing, production, and other factors realized by the business. See Disclaimer.

Forest Green  
Benchmark of On-Going Operation  
CASH FLOW

|                               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021               | 2022               | 2023               | 2024               |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>SOURCES OF FUNDS</b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Beg. Checking Balance         | \$10,000           | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$326              | \$401              | \$557              | \$722              | \$819              |
| Operating Income              | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        |
| Investment Account Income     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Draw on Retirement Plan       | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Social Security               | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Transfer from Inv. Acct       | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Money Borrowed                | \$0                | \$17,000           | \$15,000           | \$15,000           | \$14,000           | \$20,000           | \$25,000           | \$30,000           | \$37,000           | \$38,000           | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>TOTAL SOURCES OF FUNDS</b> | <b>\$3,010,000</b> | <b>\$3,017,000</b> | <b>\$3,015,900</b> | <b>\$3,015,416</b> | <b>\$3,014,672</b> | <b>\$3,020,612</b> | <b>\$3,025,265</b> | <b>\$3,030,022</b> | <b>\$3,037,390</b> | <b>\$3,038,844</b> | <b>\$3,000,326</b> | <b>\$3,000,401</b> | <b>\$3,000,557</b> | <b>\$3,000,722</b> | <b>\$3,000,819</b> |
| <b>USE OF FUNDS</b>           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Principal Payments            | \$89,100           | \$63,156           | \$67,491           | \$72,124           | \$77,077           | \$82,370           | \$85,037           | \$81,895           | \$87,627           | \$89,123           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           |
| Interest Expense              | \$70,900           | \$64,144           | \$61,339           | \$58,056           | \$54,453           | \$50,420           | \$46,563           | \$42,945           | \$39,913           | \$37,109           | \$34,290           | \$29,790           | \$25,290           | \$20,790           | \$16,290           |
| Operating Expense             | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        |
| Income Tax                    | \$25,000           | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$69,000           | \$70,000           | \$72,000           | \$74,000           | \$76,000           | \$78,000           |
| Equipment Purchases           | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          |
| Transfer to Inv. Acct         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Retirement Plan Pmts          | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            |
| Owner Draws                   | \$60,000           | \$61,800           | \$63,654           | \$65,564           | \$67,531           | \$69,556           | \$71,643           | \$73,792           | \$76,006           | \$78,286           | \$80,635           | \$83,054           | \$85,546           | \$88,112           | \$90,755           |
| <b>TOTAL USE OF FUNDS</b>     | <b>\$3,010,000</b> | <b>\$3,016,100</b> | <b>\$3,015,484</b> | <b>\$3,014,744</b> | <b>\$3,014,061</b> | <b>\$3,020,346</b> | <b>\$3,025,243</b> | <b>\$3,029,632</b> | <b>\$3,036,546</b> | <b>\$3,038,518</b> | <b>\$2,999,925</b> | <b>\$2,999,844</b> | <b>\$2,999,836</b> | <b>\$2,999,902</b> | <b>\$3,000,045</b> |
| Ending Checking Balance       | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$326              | \$401              | \$557              | \$722              | \$819              | \$774              |

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Forest Green  
Benchmark of On-Going Operation  
BALANCE SHEET

|                                  | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021               | 2022               | 2023               | 2024               |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>ASSETS</b>                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>CURRENT ASSETS</b>            |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Checking                         | \$10,000           | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$326              | \$401              | \$557              | \$722              | \$819              | \$774              |
| Investment Account               | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Accounts Receivable              | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          |
| Prepaid Fees                     | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |
| <b>TOTAL CURRENT ASSETS</b>      | <b>\$310,000</b>   | <b>\$300,000</b>   | <b>\$300,900</b>   | <b>\$300,416</b>   | <b>\$300,672</b>   | <b>\$300,612</b>   | <b>\$300,265</b>   | <b>\$300,022</b>   | <b>\$300,390</b>   | <b>\$300,844</b>   | <b>\$300,326</b>   | <b>\$300,401</b>   | <b>\$300,557</b>   | <b>\$300,722</b>   | <b>\$300,819</b>   | <b>\$300,774</b>   |
| <b>FIXED ASSETS</b>              |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Equipment & Vehicles             | -15%               | \$1,500,000        | \$1,505,000        | \$1,512,863        | \$1,515,933        | \$1,518,543        | \$1,520,762        | \$1,522,647        | \$1,524,250        | \$1,525,613        | \$1,526,771        | \$1,527,755        | \$1,528,592        | \$1,529,303        | \$1,529,908        | \$1,530,422        |
| Retirement Accounts              | 4%                 | \$75,000           | \$83,000           | \$91,320           | \$99,973           | \$108,972          | \$118,331          | \$128,064          | \$138,186          | \$148,714          | \$159,662          | \$171,049          | \$182,891          | \$195,206          | \$208,015          | \$221,335          |
| Buildings & Improvement          | -5%                | \$150,000          | \$142,500          | \$135,375          | \$128,606          | \$122,176          | \$116,067          | \$104,751          | \$99,513           | \$94,537           | \$89,811           | \$85,320           | \$81,054           | \$77,001           | \$73,151           | \$69,494           |
| Home                             | 0%                 | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          |
| <b>TOTAL FIXED ASSETS</b>        | <b>\$1,900,000</b> | <b>\$1,905,500</b> | <b>\$1,910,945</b> | <b>\$1,916,442</b> | <b>\$1,922,081</b> | <b>\$1,927,941</b> | <b>\$1,934,089</b> | <b>\$1,940,584</b> | <b>\$1,947,477</b> | <b>\$1,954,813</b> | <b>\$1,962,630</b> | <b>\$1,970,966</b> | <b>\$1,979,852</b> | <b>\$1,989,319</b> | <b>\$1,999,394</b> | <b>\$2,010,104</b> |
| <b>TOTAL ASSETS</b>              | <b>\$2,210,000</b> | <b>\$2,205,500</b> | <b>\$2,211,845</b> | <b>\$2,216,858</b> | <b>\$2,222,753</b> | <b>\$2,228,553</b> | <b>\$2,234,355</b> | <b>\$2,240,607</b> | <b>\$2,247,867</b> | <b>\$2,255,656</b> | <b>\$2,262,956</b> | <b>\$2,271,367</b> | <b>\$2,280,410</b> | <b>\$2,290,041</b> | <b>\$2,300,214</b> | <b>\$2,310,878</b> |
| <b>LIABILITIES</b>               |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>CURRENT LIABILITIES</b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Accounts Payable                 | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           |
| Income Taxes Payable             | \$25,000           | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$69,000           | \$70,000           | \$72,000           | \$74,000           | \$76,000           | \$78,000           | \$80,000           |
| Operating Loan                   | \$200,000          | \$170,000          | \$187,000          | \$202,000          | \$217,000          | \$231,000          | \$251,000          | \$276,000          | \$306,000          | \$343,000          | \$381,000          | \$331,000          | \$281,000          | \$231,000          | \$181,000          | \$131,000          |
| Current Portion Term Debt        | \$59,100           | \$63,156           | \$67,491           | \$72,124           | \$77,077           | \$82,370           | \$85,037           | \$81,895           | \$87,627           | \$89,123           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>\$314,100</b>   | <b>\$325,156</b>   | <b>\$342,491</b>   | <b>\$358,124</b>   | <b>\$374,077</b>   | <b>\$396,370</b>   | <b>\$423,037</b>   | <b>\$453,895</b>   | <b>\$491,627</b>   | <b>\$531,123</b>   | <b>\$481,000</b>   | <b>\$433,000</b>   | <b>\$385,000</b>   | <b>\$337,000</b>   | <b>\$289,000</b>   | <b>\$241,000</b>   |
| <b>TERM LIABILITIES</b>          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Equipment Debt                   | \$700,000          | \$649,000          | \$594,430          | \$536,040          | \$473,563          | \$406,712          | \$335,182          | \$258,645          | \$176,750          | \$89,123           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| House Loan                       | \$65,000           | \$56,900           | \$48,314           | \$39,213           | \$29,566           | \$19,340           | \$8,500            | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Less Curr. Port Term Debt        | (\$59,100)         | (\$63,156)         | (\$67,491)         | (\$72,124)         | (\$77,077)         | (\$82,370)         | (\$85,037)         | (\$81,895)         | (\$87,627)         | (\$89,123)         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>TOTAL TERM LIABILITIES</b>    | <b>\$705,900</b>   | <b>\$642,744</b>   | <b>\$575,253</b>   | <b>\$503,129</b>   | <b>\$426,052</b>   | <b>\$343,682</b>   | <b>\$258,645</b>   | <b>\$176,750</b>   | <b>\$89,123</b>    | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>TOTAL LIABILITIES</b>         | <b>\$1,020,000</b> | <b>\$967,900</b>   | <b>\$917,744</b>   | <b>\$861,253</b>   | <b>\$800,129</b>   | <b>\$740,052</b>   | <b>\$681,682</b>   | <b>\$630,645</b>   | <b>\$580,750</b>   | <b>\$531,123</b>   | <b>\$481,000</b>   | <b>\$433,000</b>   | <b>\$385,000</b>   | <b>\$337,000</b>   | <b>\$289,000</b>   | <b>\$241,000</b>   |
| <b>OWNERS EQUITY</b>             | <b>\$1,190,000</b> | <b>\$1,237,600</b> | <b>\$1,294,101</b> | <b>\$1,355,605</b> | <b>\$1,422,625</b> | <b>\$1,488,501</b> | <b>\$1,552,673</b> | <b>\$1,609,962</b> | <b>\$1,667,117</b> | <b>\$1,724,534</b> | <b>\$1,781,956</b> | <b>\$1,838,367</b> | <b>\$1,895,410</b> | <b>\$1,953,041</b> | <b>\$2,011,214</b> | <b>\$2,069,878</b> |

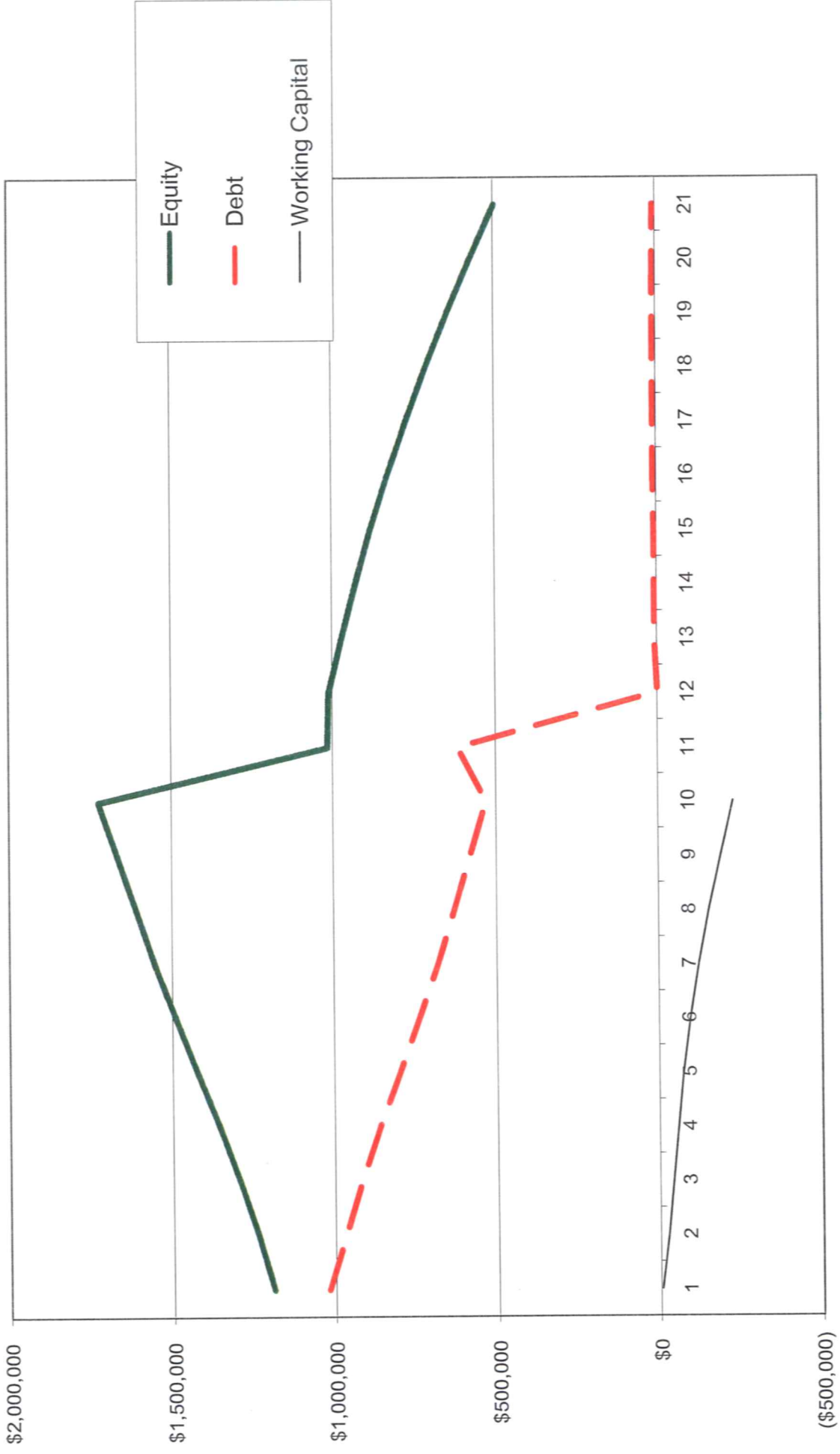
Actual Results may be dramatically different depending upon actual pricing, production, and other factors realized by the business. See Disclaimer.

# **Alternative # 1 - Liquidate Business in Year 10**

# **Illustration of Continued Operation for 9 Years, Liquidate Business in Year 10**



FINANCIAL ILLUSTRATION  
 OPERATE BUSINESS FOR 9 YEARS, LIQUIDATE BUSINESS IN YEAR 10



Forest Green  
Alternative # 1 - Liquidate Business in Year 10  
FINANCIAL ANALYSIS

|                                 | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021              | 2022              | 2023              | 2024              |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| <b>INCOME STATEMENT SUMMARY</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                   |                   |                   |                   |
| Operating Revenue               | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$300,000          | \$0                | \$0               | \$0               | \$0               | \$0               |
| Change in Inventories           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | (\$300,000)        | \$0                | \$0               | \$0               | \$0               | \$0               |
| Operating Expense               | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$30,000           | \$0                | \$0               | \$0               | \$0               | \$0               |
| Change in AP & Accrued Int.     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | (\$30,000)         | \$0                | \$0               | \$0               | \$0               | \$0               |
| Interest Expense                | \$70,900           | \$64,144           | \$61,339           | \$58,056           | \$54,453           | \$50,420           | \$46,563           | \$42,945           | \$39,913           | \$37,109           | \$30,000           | \$0                | \$0               | \$0               | \$0               | \$0               |
| Owner Draw                      | \$60,000           | \$61,800           | \$63,654           | \$65,564           | \$67,531           | \$69,556           | \$71,643           | \$73,792           | \$76,006           | \$78,286           | \$80,635           | \$83,054           | \$85,546          | \$88,112          | \$90,755          | \$90,755          |
| Depreciation                    | \$232,500          | \$232,875          | \$233,156          | \$233,360          | \$233,499          | \$233,585          | \$233,627          | \$233,635          | \$233,613          | \$233,613          | \$0                | \$0                | \$0               | \$0               | \$0               | \$0               |
| <b>Net Income</b>               | <b>\$106,600</b>   | <b>\$111,181</b>   | <b>\$111,851</b>   | <b>\$113,021</b>   | <b>\$114,517</b>   | <b>\$116,438</b>   | <b>\$118,167</b>   | <b>\$119,628</b>   | <b>\$120,468</b>   | <b>(\$115,395)</b> | <b>(\$80,635)</b>  | <b>(\$83,054)</b>  | <b>(\$85,546)</b> | <b>(\$88,112)</b> | <b>(\$90,755)</b> | <b>(\$90,755)</b> |
| Other Income                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$18,000           | \$67,650           | \$44,151          | \$43,864          | \$43,109          | \$42,245          |
| Gains / Losses on Ret. Plan     | \$3,000            | \$3,320            | \$3,653            | \$3,999            | \$4,359            | \$4,733            | \$5,123            | \$5,527            | \$5,949            | \$6,386            | \$6,842            | \$7,315            | \$7,715           | \$7,224           | \$6,713           | \$6,713           |
| Asset Appreciation              | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0               | \$0               | \$0               | \$0               |
| Est. Income Tax Allowance       | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$69,000           | \$69,000           | \$618,000          | \$0                | \$9,000           | \$9,000           | \$9,000           | \$11,000          |
| <b>Retained Earnings</b>        | <b>\$47,600</b>    | <b>\$56,501</b>    | <b>\$61,504</b>    | <b>\$67,020</b>    | <b>\$65,876</b>    | <b>\$64,172</b>    | <b>\$57,289</b>    | <b>\$57,155</b>    | <b>\$57,417</b>    | <b>(\$709,008)</b> | <b>(\$4,343)</b>   | <b>(\$39,715)</b>  | <b>(\$42,966)</b> | <b>(\$46,780)</b> | <b>(\$52,797)</b> | <b>(\$52,797)</b> |
| <b>BALANCE SHEET SUMMARY</b>    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                   |                   |                   |                   |
| Current Assets                  | \$310,000          | \$300,000          | \$300,416          | \$300,612          | \$300,672          | \$300,612          | \$300,265          | \$300,022          | \$300,390          | \$300,844          | \$1,242,476        | \$631,491          | \$612,589         | \$581,907         | \$547,904         | \$520,394         |
| Fixed Assets                    | \$1,900,000        | \$1,905,500        | \$1,910,945        | \$1,916,442        | \$1,922,081        | \$1,927,941        | \$1,934,089        | \$1,940,584        | \$1,947,477        | \$1,954,813        | \$391,049          | \$379,691          | \$367,878         | \$355,594         | \$342,817         | \$319,530         |
| <b>Total Assets</b>             | <b>\$2,210,000</b> | <b>\$2,205,500</b> | <b>\$2,211,845</b> | <b>\$2,216,858</b> | <b>\$2,222,753</b> | <b>\$2,228,553</b> | <b>\$2,234,355</b> | <b>\$2,240,607</b> | <b>\$2,247,867</b> | <b>\$2,255,656</b> | <b>\$1,633,525</b> | <b>\$1,011,182</b> | <b>\$980,467</b>  | <b>\$937,501</b>  | <b>\$890,721</b>  | <b>\$883,924</b>  |
| Current Liabilities             | \$314,100          | \$325,156          | \$342,491          | \$358,124          | \$374,077          | \$396,370          | \$423,037          | \$453,895          | \$491,627          | \$531,123          | \$618,000          | \$0                | \$9,000           | \$9,000           | \$9,000           | \$11,000          |
| Term Liabilities                | \$705,900          | \$642,744          | \$575,253          | \$503,129          | \$426,052          | \$343,682          | \$258,645          | \$176,750          | \$89,123           | \$0                | \$0                | \$0                | \$0               | \$0               | \$0               | \$0               |
| <b>Total Liabilities</b>        | <b>\$1,020,000</b> | <b>\$967,900</b>   | <b>\$917,744</b>   | <b>\$861,253</b>   | <b>\$800,129</b>   | <b>\$740,052</b>   | <b>\$681,682</b>   | <b>\$630,645</b>   | <b>\$580,750</b>   | <b>\$531,123</b>   | <b>\$618,000</b>   | <b>\$0</b>         | <b>\$9,000</b>    | <b>\$9,000</b>    | <b>\$9,000</b>    | <b>\$11,000</b>   |
| <b>Owner's Equity</b>           | <b>\$1,190,000</b> | <b>\$1,237,600</b> | <b>\$1,294,101</b> | <b>\$1,355,605</b> | <b>\$1,422,625</b> | <b>\$1,488,501</b> | <b>\$1,552,673</b> | <b>\$1,609,962</b> | <b>\$1,667,117</b> | <b>\$1,724,534</b> | <b>\$1,015,525</b> | <b>\$1,011,182</b> | <b>\$971,467</b>  | <b>\$928,501</b>  | <b>\$881,721</b>  | <b>\$828,924</b>  |
| Change in Equity                | -                  | \$47,600           | \$56,501           | \$61,504           | \$67,020           | \$65,876           | \$64,172           | \$57,289           | \$57,155           | \$57,417           | (\$709,008)        | (\$4,343)          | (\$39,715)        | (\$42,966)        | (\$46,780)        | (\$52,797)        |
| <b>FINANCIAL FACTORS</b>        |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                   |                   |                   |                   |
| Working Capital                 | -\$4,100           | -\$25,156          | -\$41,591          | -\$57,708          | -\$73,404          | -\$95,758          | -\$122,772         | -\$153,873         | -\$191,238         | -\$230,279         |                    |                    |                   |                   |                   |                   |
| Working Capital to Revenue      | -                  | -1%                | -1%                | -2%                | -2%                | -3%                | -4%                | -5%                | -6%                | -8%                |                    |                    |                   |                   |                   |                   |
| Owner Equity                    | 54%                | 56%                | 59%                | 61%                | 64%                | 67%                | 69%                | 72%                | 74%                | 76%                |                    |                    |                   |                   |                   |                   |
| Operating Margin <sup>1</sup>   | -                  | 11%                | 11%                | 12%                | 12%                | 12%                | 12%                | 12%                | 12%                | 12%                |                    |                    |                   |                   |                   |                   |
| Return on Equity                | -                  | 9.0%               | 9.0%               | 8.6%               | 8.3%               | 8.0%               | 7.8%               | 7.6%               | 7.4%               | 7.2%               |                    |                    |                   |                   |                   |                   |
| Return on Assets                | -                  | 8.0%               | 7.9%               | 7.8%               | 7.7%               | 7.6%               | 7.5%               | 7.4%               | 7.3%               | 7.1%               |                    |                    |                   |                   |                   |                   |
| Repayment Capacity              | -                  | 158%               | 157%               | 155%               | 153%               | 151%               | 149%               | 151%               | 163%               | 160%               |                    |                    |                   |                   |                   |                   |

Actual Results may be dramatically different depending upon actual pricing, production, and other factors realized by the business. See Disclaimer.

Forest Green  
Alternative # 1 - Liquidate Business in Year 10  
CASH FLOW

|                               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020             | 2021            | 2022            | 2023            | 2024             |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|-----------------|-----------------|-----------------|------------------|
| <b>SOURCES OF FUNDS</b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                 |                 |                 |                  |
| Begin. Checking Balance       | \$10,000           | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$12,476         | \$491           | \$589           | \$907           | \$904            |
| Operating Income              | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$0              | \$0             | \$0             | \$0             | \$0              |
| Sale of Building & Equipment  | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$1,620,150        | \$0              | \$0             | \$0             | \$0             | \$0              |
| Investment Account Income     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$49,200         | \$25,240        | \$24,480        | \$23,240        | \$21,880         |
| Draw on Retirement Plan       | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$20,000         | \$20,000        | \$20,000        | \$20,000        | \$30,000         |
| Social Security               | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$18,450           | \$18,450         | \$18,911        | \$19,384        | \$19,869        | \$20,365         |
| Transfer from Inv. Acct       | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$599,000        | \$19,000        | \$31,000        | \$34,000        | \$27,000         |
| Money Borrowed                | \$0                | \$17,000           | \$15,000           | \$15,000           | \$14,000           | \$20,000           | \$25,000           | \$30,000           | \$37,000           | \$0                | \$0              | \$0             | \$0             | \$0             | \$0              |
| <b>TOTAL SOURCES OF FUNDS</b> | <b>\$3,010,000</b> | <b>\$3,017,000</b> | <b>\$3,015,900</b> | <b>\$3,015,416</b> | <b>\$3,014,672</b> | <b>\$3,020,612</b> | <b>\$3,025,265</b> | <b>\$3,030,022</b> | <b>\$3,037,390</b> | <b>\$1,938,994</b> | <b>\$699,126</b> | <b>\$83,643</b> | <b>\$95,453</b> | <b>\$98,016</b> | <b>\$100,149</b> |
| <b>USE OF FUNDS</b>           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                 |                 |                 |                  |
| Principal Payments            | \$89,100           | \$63,156           | \$67,491           | \$72,124           | \$77,077           | \$82,370           | \$85,037           | \$81,895           | \$87,627           | \$432,123          | \$0              | \$0             | \$0             | \$0             | \$0              |
| Interest Expense              | \$70,900           | \$64,144           | \$61,339           | \$58,056           | \$54,453           | \$50,420           | \$46,563           | \$42,945           | \$39,913           | \$37,109           | \$0              | \$0             | \$0             | \$0             | \$0              |
| Operating Expense             | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$30,000           | \$0              | \$0             | \$0             | \$0             | \$0              |
| Income Tax                    | \$25,000           | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$69,000           | \$618,000        | \$0             | \$9,000         | \$9,000         | \$9,000          |
| Equipment Purchases           | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$0                | \$0              | \$0             | \$0             | \$0             | \$0              |
| Transfer to Inv. Acct         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$1,230,000        | \$0              | \$0             | \$0             | \$0             | \$0              |
| Retirement Plan Pmts          | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$50,000           | \$0              | \$0             | \$0             | \$0             | \$0              |
| Owner Draws                   | \$60,000           | \$61,800           | \$63,654           | \$65,564           | \$67,531           | \$69,556           | \$71,643           | \$73,792           | \$76,006           | \$78,286           | \$80,635         | \$83,054        | \$85,546        | \$88,112        | \$90,755         |
| <b>TOTAL USE OF FUNDS</b>     | <b>\$3,010,000</b> | <b>\$3,016,100</b> | <b>\$3,015,484</b> | <b>\$3,014,744</b> | <b>\$3,014,061</b> | <b>\$3,020,346</b> | <b>\$3,025,243</b> | <b>\$3,029,632</b> | <b>\$3,036,546</b> | <b>\$1,926,518</b> | <b>\$698,635</b> | <b>\$83,054</b> | <b>\$94,546</b> | <b>\$97,112</b> | <b>\$99,755</b>  |
| Ending Checking Balance       | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$12,476           | \$491            | \$589           | \$907           | \$904           | \$394            |

IRS Circular 230 Notice: To ensure compliance with requirements imposed by the IRS, we inform you that, except to the extent expressly provided to the contrary, any federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

Forest Green  
Alternative # 1 - Liquitate Business in Year 10  
BALANCE SHEET

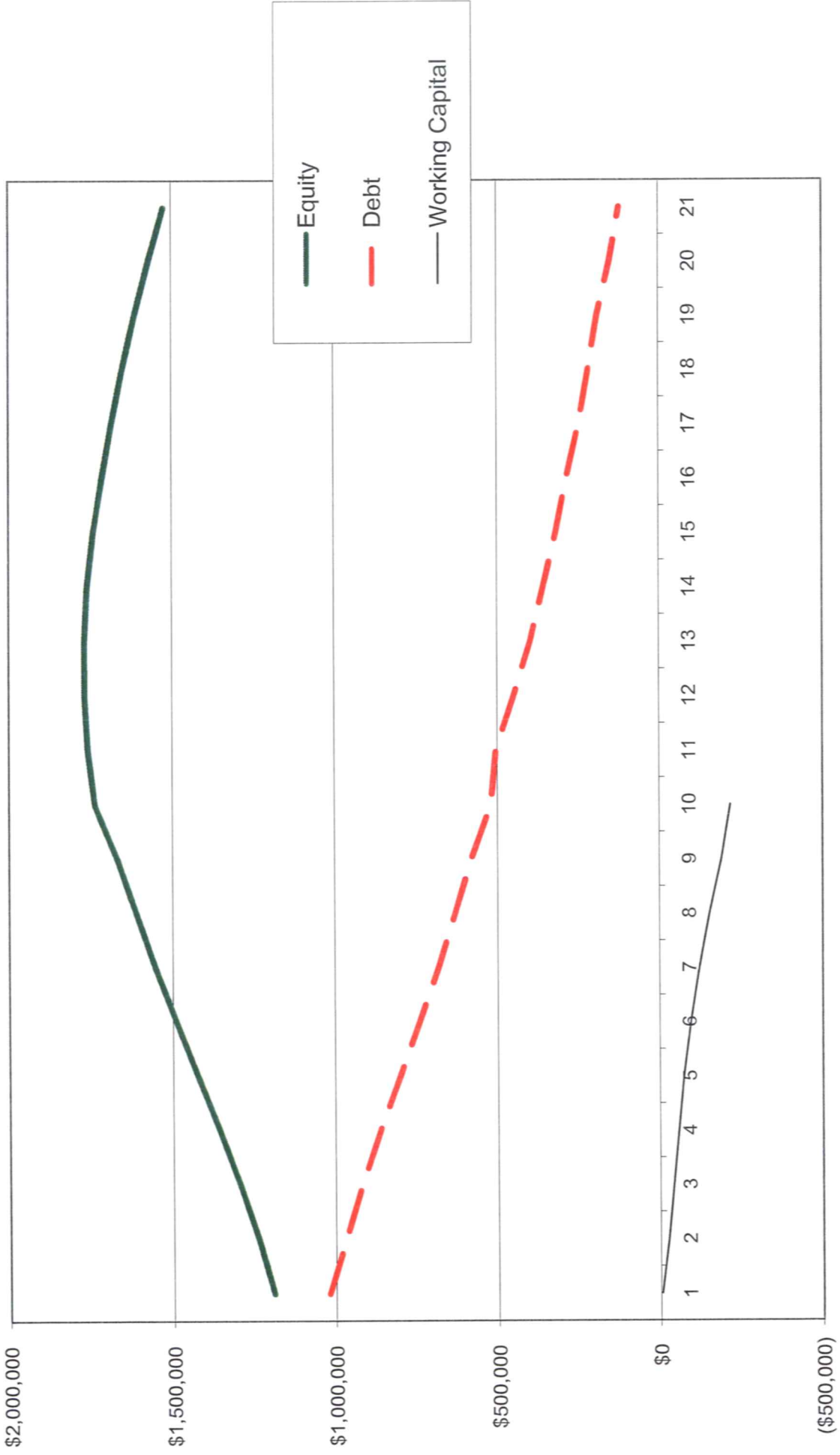
|                                  | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021             | 2022             | 2023             | 2024             |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|
| <b>ASSETS</b>                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |
| <b>CURRENT ASSETS</b>            |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |
| Checking                         | \$10,000           | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$12,476           | \$491              | \$589            | \$907            | \$904            | \$394            |
| Investment Account               | 4%                 | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$1,230,000        | \$631,000          | \$612,000        | \$581,000        | \$547,000        | \$520,000        |
| Accounts Receivable              | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| Prepaid fees                     | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| <b>TOTAL CURRENT ASSETS</b>      | <b>\$310,000</b>   | <b>\$300,000</b>   | <b>\$300,900</b>   | <b>\$300,416</b>   | <b>\$300,672</b>   | <b>\$300,612</b>   | <b>\$300,265</b>   | <b>\$300,022</b>   | <b>\$300,390</b>   | <b>\$300,844</b>   | <b>\$1,242,476</b> | <b>\$631,491</b>   | <b>\$612,589</b> | <b>\$581,907</b> | <b>\$547,904</b> | <b>\$520,394</b> |
| <b>FIXED ASSETS</b>              |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |
| Equipment & Vehicles             | -15%               | \$1,500,000        | \$1,505,000        | \$1,509,250        | \$1,512,863        | \$1,515,933        | \$1,518,543        | \$1,520,762        | \$1,522,647        | \$1,524,250        | \$1,525,613        | \$0                | \$0              | \$0              | \$0              | \$0              |
| Retirement Accounts              | 4%                 | \$75,000           | \$83,000           | \$91,320           | \$99,973           | \$108,972          | \$118,331          | \$128,064          | \$138,186          | \$148,714          | \$159,662          | \$204,691          | \$192,878        | \$180,594        | \$167,817        | \$144,530        |
| Buildings & Improvement          | -5%                | \$150,000          | \$142,500          | \$135,375          | \$128,606          | \$122,176          | \$116,067          | \$110,264          | \$99,513           | \$94,537           | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| Home                             | 0%                 | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000        | \$175,000        | \$175,000        | \$175,000        |
| <b>TOTAL FIXED ASSETS</b>        | <b>\$1,900,000</b> | <b>\$1,905,500</b> | <b>\$1,910,945</b> | <b>\$1,916,442</b> | <b>\$1,922,081</b> | <b>\$1,927,941</b> | <b>\$1,934,089</b> | <b>\$1,940,584</b> | <b>\$1,947,477</b> | <b>\$1,954,813</b> | <b>\$391,049</b>   | <b>\$379,691</b>   | <b>\$367,878</b> | <b>\$355,594</b> | <b>\$342,817</b> | <b>\$319,530</b> |
| <b>TOTAL ASSETS</b>              | <b>\$2,210,000</b> | <b>\$2,205,500</b> | <b>\$2,211,845</b> | <b>\$2,216,858</b> | <b>\$2,222,753</b> | <b>\$2,228,553</b> | <b>\$2,234,355</b> | <b>\$2,240,607</b> | <b>\$2,247,867</b> | <b>\$2,255,656</b> | <b>\$1,633,525</b> | <b>\$1,011,182</b> | <b>\$980,467</b> | <b>\$937,501</b> | <b>\$890,721</b> | <b>\$839,924</b> |
| <b>LIABILITIES</b>               |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |
| <b>CURRENT LIABILITIES</b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |
| Accounts Payable                 | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| Income Taxes Payable             | \$25,000           | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$69,000           | \$618,000          | \$0                | \$9,000          | \$9,000          | \$9,000          | \$11,000         |
| Operating Loan                   | \$200,000          | \$170,000          | \$187,000          | \$202,000          | \$217,000          | \$231,000          | \$251,000          | \$276,000          | \$306,000          | \$343,000          | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| Current Portion Term Debt        | \$59,100           | \$63,156           | \$67,491           | \$72,124           | \$77,077           | \$82,370           | \$85,037           | \$81,895           | \$87,627           | \$89,123           | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>\$314,100</b>   | <b>\$325,156</b>   | <b>\$342,491</b>   | <b>\$358,124</b>   | <b>\$374,077</b>   | <b>\$396,370</b>   | <b>\$423,037</b>   | <b>\$453,895</b>   | <b>\$491,627</b>   | <b>\$531,123</b>   | <b>\$618,000</b>   | <b>\$0</b>         | <b>\$9,000</b>   | <b>\$9,000</b>   | <b>\$9,000</b>   | <b>\$11,000</b>  |
| <b>TERM LIABILITIES</b>          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |
| Equipment Debt                   | \$700,000          | \$649,000          | \$594,430          | \$536,040          | \$473,563          | \$406,712          | \$335,182          | \$258,645          | \$176,750          | \$89,123           | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| House Loan                       | \$65,000           | \$56,900           | \$48,314           | \$39,213           | \$29,566           | \$19,340           | \$8,500            | \$0                | \$0                | \$0                | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| Less Curr. Port Term Debt        | (\$59,100)         | (\$63,156)         | (\$67,491)         | (\$72,124)         | (\$77,077)         | (\$82,370)         | (\$85,037)         | (\$81,895)         | (\$87,627)         | (\$89,123)         | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              |
| <b>TOTAL TERM LIABILITIES</b>    | <b>\$705,900</b>   | <b>\$642,744</b>   | <b>\$575,253</b>   | <b>\$503,129</b>   | <b>\$426,052</b>   | <b>\$343,682</b>   | <b>\$258,645</b>   | <b>\$176,750</b>   | <b>\$89,123</b>    | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       |
| <b>TOTAL LIABILITIES</b>         | <b>\$1,020,000</b> | <b>\$967,900</b>   | <b>\$917,744</b>   | <b>\$861,253</b>   | <b>\$800,129</b>   | <b>\$740,052</b>   | <b>\$681,682</b>   | <b>\$630,645</b>   | <b>\$580,750</b>   | <b>\$531,123</b>   | <b>\$618,000</b>   | <b>\$0</b>         | <b>\$9,000</b>   | <b>\$9,000</b>   | <b>\$9,000</b>   | <b>\$11,000</b>  |
| <b>OWNERS EQUITY</b>             | <b>\$1,190,000</b> | <b>\$1,237,600</b> | <b>\$1,294,101</b> | <b>\$1,355,605</b> | <b>\$1,422,625</b> | <b>\$1,488,501</b> | <b>\$1,552,673</b> | <b>\$1,609,962</b> | <b>\$1,667,117</b> | <b>\$1,724,534</b> | <b>\$1,015,525</b> | <b>\$1,011,182</b> | <b>\$971,467</b> | <b>\$928,501</b> | <b>\$881,721</b> | <b>\$828,924</b> |

Actual Results may be dramatically different depending upon actual pricing, production, and other factors realized by the business. See Disclaimer.

# **Alternative # 2 - Develop Business Successor**

**Illustration of Business  
Successor Growing into the  
Business and Paying a 6%  
Return on Equity**

**FINANCIAL ILLUSTRATION  
DEVELOP BUSINESS SUCCESSOR  
IMPLEMENT LONG TERM TRANSITION PLAN**



Forest Green  
Alternative # 2 - Develop Business Successor  
FINANCIAL ANALYSIS

|                                 | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021               | 2022               | 2023               | 2024               |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>INCOME STATEMENT SUMMARY</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Operating Revenue               | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Change in Inventories           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Operating Expense               | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,560,000        | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Change in AP & Accrued Int.     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | (\$30,000)         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Interest Expense                | \$70,900           | \$64,144           | \$61,339           | \$58,056           | \$54,453           | \$50,420           | \$46,563           | \$42,945           | \$39,913           | \$39,809           | \$39,809           | \$45,450           | \$40,050           | \$34,650           | \$30,150           | \$25,650           |
| Owner Draw                      | \$60,000           | \$61,800           | \$63,654           | \$65,564           | \$67,531           | \$69,556           | \$71,643           | \$73,792           | \$76,006           | \$78,286           | \$80,635           | \$83,054           | \$85,546           | \$88,112           | \$90,755           |                    |
| Depreciation                    | \$232,500          | \$232,875          | \$233,156          | \$233,360          | \$233,499          | \$233,585          | \$233,627          | \$233,635          | \$233,613          |                    |                    |                    |                    |                    |                    |                    |
| <b>Net Income</b>               | <b>\$106,600</b>   | <b>\$111,181</b>   | <b>\$111,851</b>   | <b>\$113,021</b>   | <b>\$114,517</b>   | <b>\$116,438</b>   | <b>\$118,167</b>   | <b>\$119,628</b>   | <b>\$120,468</b>   | <b>(\$118,095)</b> | <b>(\$126,085)</b> | <b>(\$123,104)</b> | <b>(\$120,196)</b> | <b>(\$118,262)</b> | <b>(\$116,405)</b> |                    |
| Other Income                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$133,209          | \$133,659          | \$132,033          | \$130,293          | \$128,432          | \$126,443          |                    |
| Gains / Losses on Ret. Plan     | \$3,000            | \$3,320            | \$3,653            | \$3,999            | \$4,359            | \$4,733            | \$5,123            | \$5,527            | \$5,949            | \$6,386            | \$6,842            | \$7,308            | \$7,782            | \$8,262            | \$8,752            | \$4,373            |
| Asset Appreciation              | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Est. Income Tax Allowance       | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$50,000           | \$53,000           | \$57,000           | \$60,000           | \$63,000           | \$66,000           | \$69,000           | \$72,000           | \$75,000           | \$78,000           | \$81,000           | \$84,000           |
| <b>Retained Earnings</b>        | <b>\$47,600</b>    | <b>\$56,501</b>    | <b>\$61,504</b>    | <b>\$67,020</b>    | <b>\$67,020</b>    | <b>\$65,876</b>    | <b>\$64,172</b>    | <b>\$57,289</b>    | <b>\$57,155</b>    | <b>\$68,417</b>    | <b>\$21,501</b>    | <b>\$9,216</b>     | <b>\$1,036</b>     | <b>(\$8,351)</b>   | <b>(\$18,856)</b>  | <b>(\$26,590)</b>  |
| <b>BALANCE SHEET SUMMARY</b>    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Current Assets                  | \$310,000          | \$300,000          | \$300,416          | \$300,672          | \$300,612          | \$300,265          | \$300,022          | \$300,390          | \$300,844          | \$835              | \$3,200            | \$4,007            | \$9,196            | \$6,802            | \$6,762            |                    |
| Fixed Assets                    | \$1,900,000        | \$1,910,945        | \$1,916,442        | \$1,922,081        | \$1,927,941        | \$1,934,089        | \$1,940,584        | \$1,947,477        | \$1,954,813        | \$2,261,199        | \$2,213,050        | \$2,162,279        | \$2,108,740        | \$2,052,277        | \$1,992,728        |                    |
| <b>Total Assets</b>             | <b>\$2,210,000</b> | <b>\$2,205,500</b> | <b>\$2,216,858</b> | <b>\$2,222,753</b> | <b>\$2,228,553</b> | <b>\$2,234,355</b> | <b>\$2,240,607</b> | <b>\$2,247,867</b> | <b>\$2,255,656</b> | <b>\$2,262,034</b> | <b>\$2,216,250</b> | <b>\$2,166,287</b> | <b>\$2,117,936</b> | <b>\$2,059,080</b> | <b>\$1,999,490</b> |                    |
| Current Liabilities             | \$314,100          | \$325,156          | \$342,491          | \$358,124          | \$374,077          | \$396,370          | \$423,037          | \$453,895          | \$491,627          | \$520,123          | \$505,000          | \$450,000          | \$399,000          | \$359,000          | \$319,000          | \$286,000          |
| Term Liabilities                | \$705,900          | \$642,744          | \$575,253          | \$503,129          | \$426,052          | \$343,682          | \$258,645          | \$176,750          | \$89,123           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Total Liabilities</b>        | <b>\$1,020,000</b> | <b>\$967,900</b>   | <b>\$917,744</b>   | <b>\$861,253</b>   | <b>\$800,129</b>   | <b>\$740,052</b>   | <b>\$681,682</b>   | <b>\$630,645</b>   | <b>\$580,750</b>   | <b>\$520,123</b>   | <b>\$505,000</b>   | <b>\$450,000</b>   | <b>\$399,000</b>   | <b>\$359,000</b>   | <b>\$319,000</b>   | <b>\$286,000</b>   |
| <b>Owner's Equity</b>           | <b>\$1,190,000</b> | <b>\$1,237,600</b> | <b>\$1,294,101</b> | <b>\$1,355,605</b> | <b>\$1,422,625</b> | <b>\$1,488,501</b> | <b>\$1,552,673</b> | <b>\$1,609,962</b> | <b>\$1,667,117</b> | <b>\$1,735,534</b> | <b>\$1,757,034</b> | <b>\$1,766,250</b> | <b>\$1,767,287</b> | <b>\$1,758,936</b> | <b>\$1,740,080</b> | <b>\$1,713,490</b> |
| Change in Equity                | -                  | \$47,600           | \$56,501           | \$61,504           | \$67,020           | \$65,876           | \$64,172           | \$57,289           | \$57,155           | \$68,417           | \$21,501           | \$9,216            | \$1,036            | (\$8,351)          | (\$18,856)         | (\$26,590)         |
| <b>FINANCIAL FACTORS</b>        |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Working Capital                 | -\$4,100           | -\$25,156          | -\$41,591          | -\$57,708          | -\$73,404          | -\$95,758          | -\$122,772         | -\$153,873         | -\$191,238         | -\$219,279         |                    |                    |                    |                    |                    |                    |
| Working Capital to Revenue      | -                  | -1%                | -1%                | -2%                | -2%                | -3%                | -4%                | -5%                | -6%                | -7%                |                    |                    |                    |                    |                    |                    |
| Owner Equity                    | 54%                | 56%                | 59%                | 61%                | 64%                | 67%                | 69%                | 72%                | 74%                | 77%                |                    |                    |                    |                    |                    |                    |
| Operating Margin <sup>1</sup>   | -                  | 11%                | 11%                | 12%                | 12%                | 12%                | 12%                | 12%                | 12%                | 12%                |                    |                    |                    |                    |                    |                    |
| Return on Equity                | -                  | 9.0%               | 9.0%               | 8.6%               | 8.3%               | 8.0%               | 7.8%               | 7.6%               | 7.4%               | 7.2%               |                    |                    |                    |                    |                    |                    |
| Return on Assets                | -                  | 8.0%               | 7.9%               | 7.8%               | 7.7%               | 7.6%               | 7.5%               | 7.4%               | 7.3%               | 7.1%               |                    |                    |                    |                    |                    |                    |
| Repayment Capacity              | -                  | 158%               | 157%               | 155%               | 153%               | 151%               | 149%               | 151%               | 163%               | 160%               |                    |                    |                    |                    |                    |                    |

Actual Results may be dramatically different depending upon actual pricing, production, and other factors realized by the business. See Disclaimer.

Forest Green  
Alternative # 2 - Develop Business Successor  
CASH FLOW

|                               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019             | 2020             | 2021             | 2022             | 2023             | 2024             |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>SOURCES OF FUNDS</b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |                  |                  |
| Beg. Checking Balance         | \$10,000           | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844            | \$835            | \$3,200          | \$4,007          | \$9,196          | \$6,802          |
| Operating Income              | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$3,000,000        | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Return on Equity in Business  | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$115,209        | \$115,209        | \$113,122        | \$110,909        | \$108,563        | \$106,077        |
| Sale of Business Ownership    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0              | \$34,791         | \$36,878         | \$39,091         | \$41,437         | \$43,923         |
| Investment Account Income     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Draw on Retirement Plan       | 0.0%               | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0              | \$20,000         | \$20,000         | \$20,000         | \$20,000         | \$20,000         |
| Social Security               | 2.5%               | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$18,000         | \$18,450         | \$18,911         | \$19,384         | \$19,869         | \$20,365         |
| Transfer from Inv. Acct       | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Money Borrowed                | \$0                | \$17,000           | \$15,000           | \$15,000           | \$14,000           | \$20,000           | \$25,000           | \$30,000           | \$67,000           | \$132,000        | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>TOTAL SOURCES OF FUNDS</b> | <b>\$3,010,000</b> | <b>\$3,017,000</b> | <b>\$3,015,900</b> | <b>\$3,015,416</b> | <b>\$3,014,672</b> | <b>\$3,020,612</b> | <b>\$3,025,265</b> | <b>\$3,030,022</b> | <b>\$3,067,390</b> | <b>\$266,053</b> | <b>\$189,285</b> | <b>\$192,111</b> | <b>\$193,391</b> | <b>\$199,064</b> | <b>\$197,168</b> |
| <b>USE OF FUNDS</b>           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                  |                  |                  |                  |                  |                  |
| Principal Payments            | \$89,100           | \$63,156           | \$67,491           | \$72,124           | \$77,077           | \$82,370           | \$85,037           | \$81,895           | \$87,627           | \$89,123         | \$60,000         | \$60,000         | \$50,000         | \$50,000         | \$40,000         |
| Interest Expense              | \$70,900           | \$64,144           | \$61,339           | \$58,056           | \$54,453           | \$50,420           | \$46,563           | \$42,945           | \$39,913           | \$39,809         | \$45,450         | \$40,050         | \$34,650         | \$30,150         | \$25,650         |
| Operating Expense             | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,530,000        | \$2,560,000        | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Income Tax                    | \$25,000           | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$58,000         | \$0              | \$5,000          | \$14,000         | \$24,000         | \$34,000         |
| Equipment Purchases           | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$230,000          | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Transfer to Inv. Acct         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              |
| Retirement Plan Pmts          | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$5,000            | \$78,286         | \$80,635         | \$83,054         | \$85,546         | \$88,112         | \$90,755         |
| Owner Draws                   | 3.0%               | \$60,000           | \$61,800           | \$63,654           | \$65,564           | \$69,556           | \$71,643           | \$73,792           | \$76,006           | \$78,286         | \$80,635         | \$83,054         | \$85,546         | \$88,112         | \$90,755         |
| <b>TOTAL USE OF FUNDS</b>     | <b>\$3,010,000</b> | <b>\$3,016,100</b> | <b>\$3,015,484</b> | <b>\$3,014,744</b> | <b>\$3,014,061</b> | <b>\$3,020,346</b> | <b>\$3,025,243</b> | <b>\$3,029,632</b> | <b>\$3,066,546</b> | <b>\$265,218</b> | <b>\$186,085</b> | <b>\$188,104</b> | <b>\$184,196</b> | <b>\$192,262</b> | <b>\$190,405</b> |
| Ending Checking Balance       | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$835            | \$3,200          | \$4,007          | \$9,196          | \$6,802          | \$6,762          |

IRS Circular 230 Notice: To ensure compliance with requirements imposed by the IRS, we inform you that, except to the extent expressly provided to the contrary, any federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

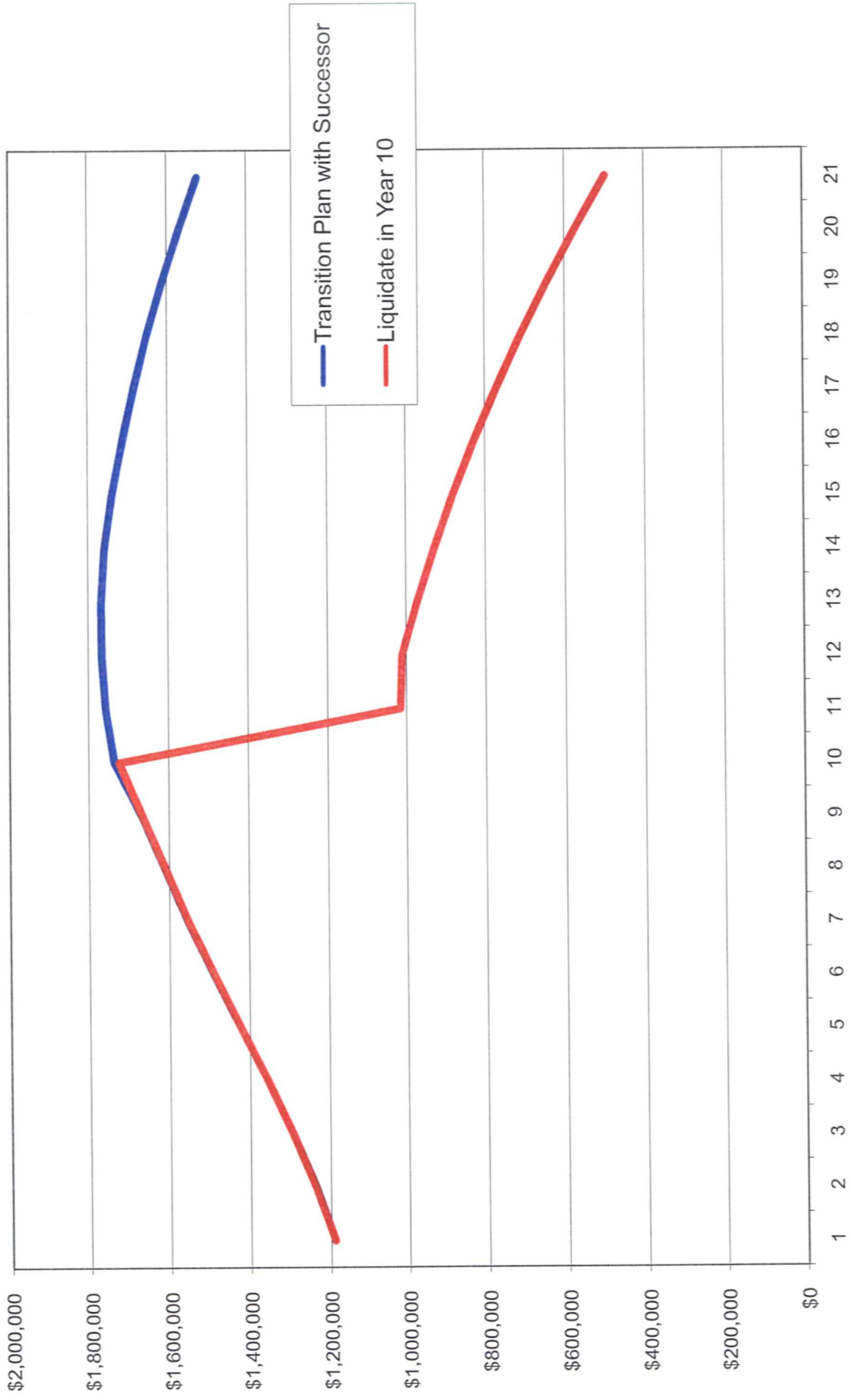


Forest Green  
Alternative # 2 - Develop Business Successor  
BALANCE SHEET

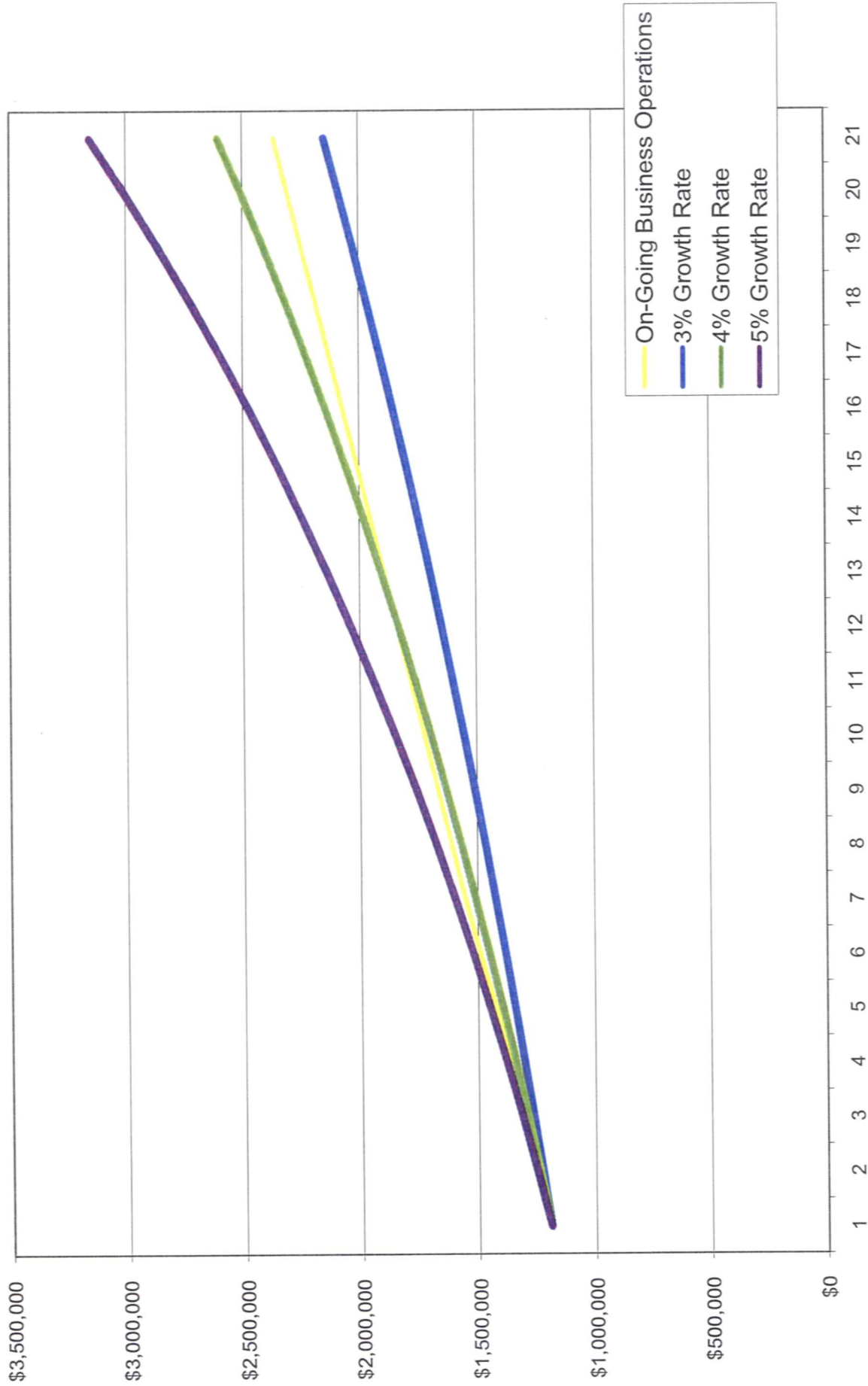
|                                  | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | 2018               | 2019               | 2020               | 2021               | 2022               | 2023               | 2024               |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>ASSETS</b>                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>CURRENT ASSETS</b>            |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Checking                         | \$10,000           | \$0                | \$900              | \$416              | \$672              | \$612              | \$265              | \$22               | \$390              | \$844              | \$835              | \$3,200            | \$4,007            | \$9,196            | \$6,802            | \$6,762            |
| Investment Account               | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Accounts Receivable              | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Prepaid Fees                     | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>TOTAL CURRENT ASSETS</b>      | <b>\$310,000</b>   | <b>\$300,000</b>   | <b>\$300,900</b>   | <b>\$300,416</b>   | <b>\$300,672</b>   | <b>\$300,612</b>   | <b>\$300,265</b>   | <b>\$300,022</b>   | <b>\$300,390</b>   | <b>\$300,844</b>   | <b>\$835</b>       | <b>\$3,200</b>     | <b>\$4,007</b>     | <b>\$9,196</b>     | <b>\$6,802</b>     | <b>\$6,762</b>     |
| <b>FIXED ASSETS</b>              |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Equipment & Vehicles             | -15%               | \$1,500,000        | \$1,509,250        | \$1,512,863        | \$1,515,933        | \$1,518,543        | \$1,520,762        | \$1,522,647        | \$1,524,250        | \$1,525,613        | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Business Transition Entity       | 6%                 |                    |                    |                    |                    |                    |                    |                    |                    |                    | \$1,920,150        | \$1,885,359        | \$1,848,481        | \$1,809,390        | \$1,767,953        | \$1,724,030        |
| Retirement Accounts              | 4%                 | \$75,000           | \$83,000           | \$91,320           | \$99,973           | \$108,972          | \$118,331          | \$128,064          | \$138,186          | \$148,714          | \$159,662          | \$166,049          | \$152,691          | \$138,798          | \$124,350          | \$109,324          |
| Buildings & Improvement          | -5%                | \$150,000          | \$142,500          | \$135,375          | \$128,606          | \$122,176          | \$116,067          | \$110,264          | \$104,751          | \$99,513           | \$94,537           | \$0                | \$0                | \$0                | \$0                | \$0                |
| Home                             | 0%                 | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          | \$175,000          |
| <b>TOTAL FIXED ASSETS</b>        |                    | <b>\$1,900,000</b> | <b>\$1,905,500</b> | <b>\$1,916,442</b> | <b>\$1,922,081</b> | <b>\$1,927,941</b> | <b>\$1,934,089</b> | <b>\$1,940,584</b> | <b>\$1,947,477</b> | <b>\$1,954,813</b> | <b>\$2,261,199</b> | <b>\$2,213,050</b> | <b>\$2,162,279</b> | <b>\$2,108,740</b> | <b>\$2,052,277</b> | <b>\$1,992,728</b> |
| <b>TOTAL ASSETS</b>              |                    | <b>\$2,210,000</b> | <b>\$2,205,500</b> | <b>\$2,216,858</b> | <b>\$2,222,753</b> | <b>\$2,228,553</b> | <b>\$2,234,355</b> | <b>\$2,240,607</b> | <b>\$2,247,867</b> | <b>\$2,255,656</b> | <b>\$2,262,034</b> | <b>\$2,216,250</b> | <b>\$2,166,287</b> | <b>\$2,117,936</b> | <b>\$2,059,080</b> | <b>\$1,999,490</b> |
| <b>LIABILITIES</b>               |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>CURRENT LIABILITIES</b>       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Accounts Payable                 | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$30,000           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Income Taxes Payable             | \$25,000           | \$62,000           | \$58,000           | \$54,000           | \$50,000           | \$53,000           | \$57,000           | \$66,000           | \$68,000           | \$58,000           | \$0                | \$5,000            | \$14,000           | \$24,000           | \$34,000           | \$41,000           |
| Operating Loan                   | \$200,000          | \$170,000          | \$187,000          | \$202,000          | \$217,000          | \$231,000          | \$251,000          | \$276,000          | \$306,000          | \$373,000          | \$505,000          | \$445,000          | \$385,000          | \$335,000          | \$285,000          | \$245,000          |
| Current Portion Term Debt        | \$59,100           | \$63,156           | \$67,491           | \$72,124           | \$77,077           | \$82,370           | \$85,037           | \$81,895           | \$87,627           | \$89,123           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>\$314,100</b>   | <b>\$325,156</b>   | <b>\$342,491</b>   | <b>\$358,124</b>   | <b>\$374,077</b>   | <b>\$396,370</b>   | <b>\$423,037</b>   | <b>\$453,895</b>   | <b>\$491,627</b>   | <b>\$520,123</b>   | <b>\$505,000</b>   | <b>\$450,000</b>   | <b>\$399,000</b>   | <b>\$359,000</b>   | <b>\$319,000</b>   | <b>\$286,000</b>   |
| <b>TERM LIABILITIES</b>          |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Equipment Debt                   | \$700,000          | \$649,000          | \$594,430          | \$536,040          | \$473,563          | \$406,712          | \$335,182          | \$258,645          | \$176,750          | \$89,123           | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| House Loan                       | \$65,000           | \$56,900           | \$48,314           | \$39,213           | \$29,566           | \$19,340           | \$8,500            | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Less Curr. Port Term Debt        | (\$59,100)         | (\$63,156)         | (\$67,491)         | (\$72,124)         | (\$77,077)         | (\$82,370)         | (\$85,037)         | (\$81,895)         | (\$87,627)         | (\$89,123)         | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>TOTAL TERM LIABILITIES</b>    | <b>\$705,900</b>   | <b>\$642,744</b>   | <b>\$575,253</b>   | <b>\$503,129</b>   | <b>\$426,052</b>   | <b>\$343,682</b>   | <b>\$258,645</b>   | <b>\$176,750</b>   | <b>\$89,123</b>    | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
| <b>TOTAL LIABILITIES</b>         | <b>\$1,020,000</b> | <b>\$967,900</b>   | <b>\$917,744</b>   | <b>\$861,253</b>   | <b>\$800,129</b>   | <b>\$740,052</b>   | <b>\$681,682</b>   | <b>\$630,645</b>   | <b>\$580,750</b>   | <b>\$520,123</b>   | <b>\$505,000</b>   | <b>\$450,000</b>   | <b>\$399,000</b>   | <b>\$359,000</b>   | <b>\$319,000</b>   | <b>\$286,000</b>   |
| <b>OWNERS EQUITY</b>             |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|                                  | \$1,190,000        | \$1,237,600        | \$1,294,101        | \$1,355,605        | \$1,422,625        | \$1,488,501        | \$1,552,673        | \$1,609,962        | \$1,667,117        | \$1,735,534        | \$1,757,034        | \$1,766,250        | \$1,767,287        | \$1,758,936        | \$1,740,080        | \$1,713,490        |

Actual Results may be dramatically different depending upon actual pricing, production, and other factors realized by the business. See Disclaimer.

**FINANCIAL ILLUSTRATION  
COMPARISON OF EQUITY OUTCOMES  
Liquidate Business / Transition Plan**



### Comparison of Impact of Growth Rates



### Example of Decisions Impacting Growth Rates

