

Form **1120S**

**U.S. Income Tax Return for an S Corporation**

OMB No. 1545-0130

**2007**

Department of the Treasury  
Internal Revenue Service

▶ Do not file this form unless the corporation has filed or is  
attaching Form 2553 to elect to be an S corporation.  
**EXTENSION GRANTED TO 09/15/08**

For calendar year 2007, or tax year beginning

, and ending

<b>A</b> S election effective date 09/01/2006	Use the IRS label. Otherwise, print or type.	Name <b>LIC HOLDINGS INC</b>	<b>D</b> Employer identification number 20-5290314
<b>B</b> Business activity code number (see instructions) 524290		Number, street, and room or suite no. If a P.O. box, see instructions. <b>950 PENINSULA CORP. CIR., SUITE 3010</b>	<b>E</b> Date incorporated 09/01/2006
<b>C</b> Check if Sch. M-3 attached <input checked="" type="checkbox"/>		City or town, state, and ZIP code <b>BOCA RATON, FL 33487</b>	<b>F</b> Total assets (see instructions) \$ 10,509,513.

**G** Is the corporation electing to be an S corporation beginning with this tax year?  Yes  No If "Yes," attach Form 2553 if not already filed

**H** Check it: (1)  Final return (2)  Name change (3)  Address change (4)  Amended return (5)  S election termination or revocation

**I** Enter the number of shareholders in the corporation at end of the tax year **▶ 13**

**Caution:** Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

<b>Income</b>	<b>1 a</b> Gross receipts or sales <b>38,419,667.</b> <b>b</b> Less returns and allowances <b>c</b> Bal <b>▶</b>	<b>1c</b>	<b>38,419,667.</b>
	<b>2</b> Cost of goods sold (Schedule A, line 8)	<b>2</b>	
	<b>3</b> Gross profit. Subtract line 2 from line 1c	<b>3</b>	<b>38,419,667.</b>
	<b>4</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	<b>4</b>	<b>&lt;1,520.&gt;</b>
	<b>5</b> Other income (loss) (attach statement) <b>STATEMENT 1</b>	<b>5</b>	<b>58,945.</b>
	<b>6</b> Total income (loss). Add lines 3 through 5 <b>▶</b>	<b>6</b>	<b>38,477,092.</b>
<b>Deductions (See instructions for limitations)</b>	<b>7</b> Compensation of officers <b>STATEMENT 2</b>	<b>7</b>	<b>5,498,526.</b>
	<b>8</b> Salaries and wages (less employment credits)	<b>8</b>	<b>4,103,690.</b>
	<b>9</b> Repairs and maintenance	<b>9</b>	<b>20,041.</b>
	<b>10</b> Bad debts	<b>10</b>	
	<b>11</b> Rents	<b>11</b>	<b>201,637.</b>
	<b>12</b> Taxes and licenses <b>STATEMENT 3</b>	<b>12</b>	<b>167,695.</b>
	<b>13</b> Interest	<b>13</b>	<b>118,560.</b>
	<b>14</b> Depreciation not claimed on Schedule A or elsewhere on return (attach Form 4562)	<b>14</b>	<b>61,587.</b>
	<b>15</b> Depletion (Do not deduct oil and gas depletion.)	<b>15</b>	
	<b>16</b> Advertising	<b>16</b>	<b>106,971.</b>
	<b>17</b> Pension, profit-sharing, etc., plans	<b>17</b>	
	<b>18</b> Employee benefit programs	<b>18</b>	<b>20,350.</b>
	<b>19</b> Other deductions (attach statement) <b>STATEMENT 4</b>	<b>19</b>	<b>16,576,999.</b>
	<b>20</b> Total deductions. Add lines 7 through 19 <b>▶</b>	<b>20</b>	<b>26,876,056.</b>
	<b>21</b> Ordinary business income (loss). Subtract line 20 from line 6	<b>21</b>	<b>11,601,036.</b>
<b>Tax and Payments</b>	<b>22 a</b> Excess net passive income or LIFO recapture tax (see instructions)	<b>22a</b>	
	<b>b</b> Tax from Schedule D (Form 1120S)	<b>22b</b>	
	<b>c</b> Add lines 22a and 22b	<b>22c</b>	
	<b>23 a</b> 2007 estimated tax payments and 2006 overpayment credited to 2007	<b>23a</b>	
	<b>b</b> Tax deposited with Form 7004	<b>23b</b>	
	<b>c</b> Credit for federal tax paid on fuels (attach Form 4136)	<b>23c</b>	
	<b>d</b> Add lines 23a through 23c	<b>23d</b>	
<b>24</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	<b>24</b>		
<b>25</b> Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	<b>25</b>		
<b>26</b> Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	<b>26</b>		
<b>27</b> Enter amount from line 26 Credited to 2008 estimated tax <b>▶</b> <b>Refunded</b> <b>▶</b>	<b>27</b>		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

**Sign Here** **▶** \_\_\_\_\_ **▶** \_\_\_\_\_ **▶** \_\_\_\_\_

Signature of officer Date Title

May the IRS discuss this return with the preparer shown below (see instr.?)  
 Yes  No

<b>Paid Preparer's Use Only</b>	Preparer's signature <b>▶</b>	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN P00127193
	Firm's name (or yours if self-employed), address, and ZIP code <b>▶</b>	EIN		59-2147155
GOLDSTEIN LEWIN & CO. 1675 N. MILITARY TRAIL, FIFTH FLOOR BOCA RATON, FL 33486		Phone no. (561) 994-5050		

JWA For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Form **1120S** (2007)

FORM 1120S	OTHER INCOME	STATEMENT	1
DESCRIPTION		AMOUNT	
MISCELLANEOUS INCOME		58,945.	
TOTAL TO FORM 1120S, PAGE 1, LINE 5		58,945.	

FORM 1120S	COMPENSATION OF OFFICERS	STATEMENT	2	
NAME OF OFFICER	SOCIAL SECURITY NUMBER	TIME DEVOTED TO BUSINESS	PCT OF STOCK	AMOUNT OF COMPENSATION
SIMON BERNSTEIN	371-32-5211		33.00%	404,199.
TED BERNSTEIN	319-64-1912		45.00%	2,719,935.
WILLIAM STANSBURY	212-54-9407		10.00%	2,374,392.
TOTAL COMPENSATION OF OFFICERS				5,498,526.
LESS: COMPENSATION CLAIMED ELSEWHERE EMPLOYMENT CREDIT REDUCTION				
TOTAL TO FORM 1120S, PAGE 1, LINE 7				5,498,526.

FORM 1120S	TAXES AND LICENSES	STATEMENT	3
DESCRIPTION		AMOUNT	
TAXES- PAYROLL		164,314.	
TAXES- PROPERTY		750.	
LICENSES & PERMITS		2,165.	
LICENSES & PERMITS		466.	
TOTAL TO FORM 1120S, PAGE 1, LINE 12		167,695.	

FORM 1120S	OTHER DEDUCTIONS	STATEMENT	4
DESCRIPTION		AMOUNT	
ALARM & GUARD SERVICE		6,154.	
AMORTIZATION EXPENSE		559.	
AUTOMOBILE EXPENSE		18,152.	
BANK SERVICE CHARGES		3,316.	
COMMISSION EXPENSE		2,831,110.	

Department of the Treasury  
Internal Revenue Service (77)

▶ Do not file this form unless the corporation has filed or is  
attaching Form 2553 to elect to be an S corporation.  
**EXTENSION GRANTED TO 09/15/09**

For calendar year 2008 or tax year beginning , and ending

<b>A</b> S election effective date 09/01/2006	Use the IRS label. Otherwise, print or type.	Name <b>LIC HOLDINGS INC</b>	<b>D</b> Employer identification number 20-5290314
<b>B</b> Business activity code number (see instructions) 524290		Number, street, and room or suite no. If a P.O. box, see instructions. 950 PENINSULA CORP. CIR., SUITE 3010	<b>E</b> Date incorporated 09/01/2006
<b>C</b> Check if Sch. M-3 attached <input checked="" type="checkbox"/>		City or town, state, and ZIP code BOCA RATON, FL 33487	<b>F</b> Total assets (see instructions) \$ 4,151,405.

**G** Is the corporation electing to be an S corporation beginning with this tax year?  Yes  No If "Yes," attach Form 2553 if not already filed

**H** Check if: (1)  Final return (2)  Name change (3)  Address change (4)  Amended return (5)  S election termination or revocation

**I** Enter the number of shareholders who were shareholders during any part of the tax year ▶ 13

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	<b>1 a</b> Gross receipts or sales 39,421,306	<b>b</b> Less returns and allowances	<b>c</b> Bal ▶	<b>1c</b> 39,421,306.
	<b>2</b> Cost of goods sold (Schedule A, line 8)			<b>2</b>
	<b>3</b> Gross profit. Subtract line 2 from line 1c			<b>3</b> 39,421,306.
	<b>4</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			<b>4</b>
	<b>5</b> Other income (loss) (attach statement) STATEMENT 1			<b>5</b> 150,154.
	<b>6</b> Total income (loss). Add lines 3 through 5			<b>6</b> 39,571,460.
Deductions (See instructions for limitations)	<b>7</b> Compensation of officers STATEMENT 2			<b>7</b> 9,402,142.
	<b>8</b> Salaries and wages (less employment credits)			<b>8</b> 5,391,007.
	<b>9</b> Repairs and maintenance			<b>9</b> 4,295.
	<b>10</b> Bad debts			<b>10</b>
	<b>11</b> Rents			<b>11</b> 350,691.
	<b>12</b> Taxes and licenses STATEMENT 3			<b>12</b> 505,672.
	<b>13</b> Interest			<b>13</b> 22,222.
	<b>14</b> Depreciation not claimed on Schedule A or elsewhere on return (attach Form 4562)			<b>14</b> 113,751.
	<b>15</b> Depletion (Do not deduct oil and gas depletion.)			<b>15</b>
	<b>16</b> Advertising			<b>16</b> 194,719.
	<b>17</b> Pension, profit-sharing, etc., plans			<b>17</b> 103,791.
	<b>18</b> Employee benefit programs			<b>18</b>
	<b>19</b> Other deductions (attach statement) STATEMENT 4			<b>19</b> 21,637,874.
	<b>20</b> Total deductions. Add lines 7 through 19			<b>20</b> 37,726,164.
	<b>21</b> Ordinary business income (loss). Subtract line 20 from line 6			<b>21</b> 1,845,296.

Tax and Payments	<b>22 a</b> Excess net passive income or LIFO recapture tax (see instructions)	<b>22a</b>		
	<b>b</b> Tax from Schedule D (Form 1120S)	<b>22b</b>		
	<b>c</b> Add lines 22a and 22b			<b>22c</b>
	<b>23 a</b> 2008 estimated tax payments and 2007 overpayment credited to 2008	<b>23a</b>		
	<b>b</b> Tax deposited with Form 7004	<b>23b</b>		
	<b>c</b> Credit for federal tax paid on fuels (attach Form 4136)	<b>23c</b>		
	<b>d</b> Add lines 23a through 23c			<b>23d</b>
	<b>24</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached			<b>24</b>
	<b>25</b> Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed			<b>25</b>
	<b>26</b> Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid			<b>26</b>
<b>27</b> Enter amount from line 26 Credited to 2009 estimated tax		<b>Refunded</b> ▶	<b>27</b>	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

**Sign Here** ▶ Signature of officer Date Title

May the IRS discuss this return with the preparer shown below (see instr.)?  Yes  No

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN P00127193
	Firm's name (or yours if self-employed), address, and ZIP code	GOLDSTEIN LEWIN & CO. 1675 N. MILITARY TRAIL, FIFTH FLOOR BOCA RATON, FL 33486		EIN 59-2147155
				Phone no. (561)994-5050

FORM 1120S OTHER INCOME STATEMENT 1

DESCRIPTION	AMOUNT
MISCELLANEOUS INCOME	150,154.
TOTAL TO FORM 1120S, PAGE 1, LINE 5	150,154.

FORM 1120S COMPENSATION OF OFFICERS STATEMENT 2

NAME OF OFFICER	SOCIAL SECURITY NUMBER	TIME DEVOTED TO BUSINESS	PCT OF STOCK	AMOUNT OF COMPENSATION
SIMON BERNSTEIN	371-32-5211		33.00%	3,756,299.
TED BERNSTEIN	319-64-1912		45.00%	5,225,825.
WILLIAM STANSBURY	212-54-9407		10.00%	420,018.
TOTAL COMPENSATION OF OFFICERS				9,402,142.
LESS: COMPENSATION CLAIMED ELSEWHERE EMPLOYMENT CREDIT REDUCTION				
TOTAL TO FORM 1120S, PAGE 1, LINE 7				9,402,142.

FORM 1120S TAXES AND LICENSES STATEMENT 3

DESCRIPTION	AMOUNT
TAXES - PAYROLL	498,819.
LICENSES & PERMITS	6,853.
TOTAL TO FORM 1120S, PAGE 1, LINE 12	505,672.

FORM 1120S OTHER DEDUCTIONS STATEMENT 4

DESCRIPTION	AMOUNT
ALARM & GUARD SERVICE	1,487.
AMORTIZATION EXPENSE	600.
AUTOMOBILE EXPENSE	53,167.
COMMISSION EXPENSE	4,469,172.
COMPUTER SUPPLIES & EXPENSE	91,204.
CONSULTING	302,540.
DUES & SUBSCRIPTIONS	50,591.

EDUCATION & TRAINING	162,085.
EQUIPMENT RENTAL	4,300.
FEES - SERVICE FEE	24,936.
FEES- ADMIN MANAGER	9,485.
FEES- APPLICATION	834,000.
FEES- CONTROL AGREEMENT	17,300.
FEES- LETTER OF CREDIT	650.
FEES- LOAN UTILIZATION	8,604,753.
FEES- LOAN UTILIZATION 2ND YEAR	1,038,954.
FEES- LOAN UTILIZATION 3RD YEAR	45,334.
FEES- LOAN UTILIZATION SUBSEQUE	155,387.
FEES- NOTE STRUCTURE	1,897,500.
FEES- PLACEMENT	763,318.
FEES- TRUSTEE	43,703.
FEES- WIRE TRANSFER	15,835.
FORFEITED DEPOSITS	878,111.
INSURANCE	273,689.
INTERNET FEES	34,617.
LEGAL & ACCOUNTING	594,873.
MEALS - IN HOUSE	108,779.
MEALS AND ENTERTAINMENT	16,211.
MEDICAL UNDERWRITING	335,873.
MOVING	100.
OFFICE EXPENSE & SUPPLIES	171,555.
PAYROLL FEE	6,804.
POSTAGE & DELIVERY	43,456.
PRINTING & REPRODUCTION	49,806.
RECRUITMENT	3,011.
TELEPHONE	88,795.
TRAVEL	424,575.
UTILITIES	21,318.
TOTAL TO FORM 1120S, PAGE 1, LINE 19	21,637,874.