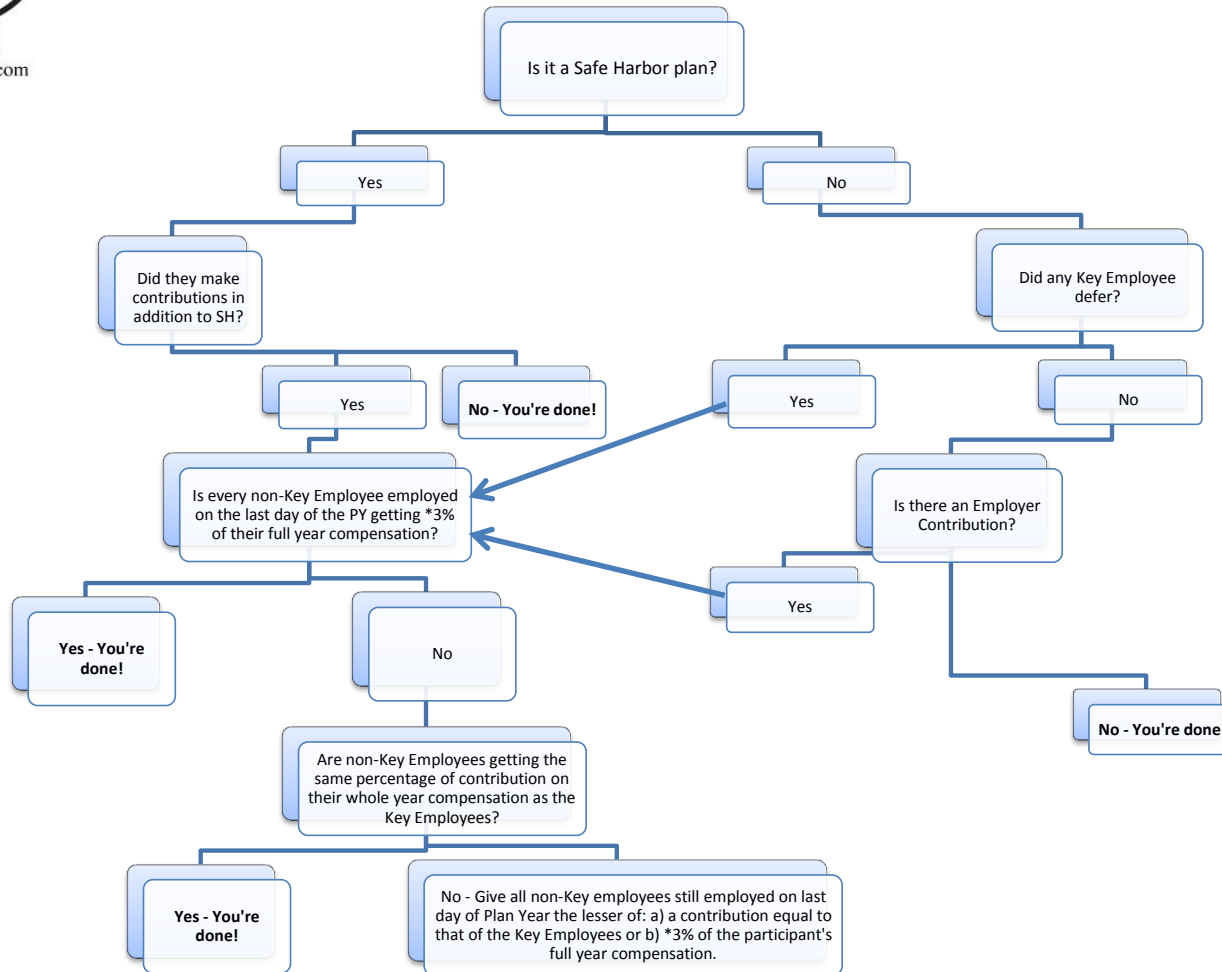




www.eipcorp.com

Top Heavy Code Section 416 Compliance

If a 401(k) plan is Top Heavy, follow the flowchart below:



* 3% can come from any employer contribution, including a match, Safe Harbor, or Profit Sharing

Key Employee: a Key Employee is an employee who at any time during the prior plan year owns more than 5% of the business, owns more than 1% of the business and has annual compensation greater than \$150,000, or is an officer with compensation greater than \$165,000 (2013 limits)