

Plan Date: ____ / ____ / ____

COMPANY NAME: _____

COMPLETED BY: _____

ANTI DISCRIMINATION INFORMATION

The anti-discrimination rules within Section 125 and 129 state that the “key employees” and “highly compensated employees or individuals” of a company are limited in the amount of benefits that they may receive under the plan. For this reason, RP Riley Management Group, Inc. must be provided the names of the employees who meet one or more of the following criteria:

Note: Sub S owners, partners, and sole proprietors are not employees and should not be listed. By law, they are not eligible to participate.

KEY EMPLOYEE

(As defined under Internal Revenue Code Section 416(i))

1. Officer and earns \$145,000 or more per year for 2007 and \$150,000 or more per year for 2008.
2. 1% owner earning in excess of \$150,000.
3. Owns 5% or more of stock.
4. The spouse, lineal descendants (parents, children, or grandchildren), or lineal descendants of the spouse of the key individuals (defined in #2 through 3 above) who are employed by the company.

Please list all Key Employees

1. _____

4. _____

2. _____

5. _____

3. _____

6. _____

For purposes for the nondiscrimination test under Internal Revenue Code Section 125(d)

HIGHLY COMPENSATED INDIVIDUAL

(As defined under Code Section 125(e)(1))

1. Is an officer,
2. Owns more than 5% of stock, or
3. Earns \$100,000 or more in the prior year and is in the top paid group (top 20% ranked by annual compensation).
4. Is a spouse or a dependent of any of the above and employed by the company.

Please list all Highly Compensated Individuals

1. _____

4. _____

2. _____

5. _____

3. _____

6. _____

For purposes of the nondiscrimination testing under Code Section 129(d)

HIGHLY COMPENSATED EMPLOYEE

(As defined under Code Section 414(q))

1. Owns more than 5% or more of stock.
2. Any employee earning \$100,000 or more per year in the prior year AND is in the top paid group (top 20% ranked by annual compensation).
3. A spouse or dependent of a Highly Compensation Employee (defined in #1 and #2 above) employed by the company.

Please list all Highly Compensated Employees

1. _____

4. _____

2. _____

5. _____

3. _____

6. _____

For purposes of the nondiscrimination testing under Code Section 105(h)

HIGHLY COMPENSATED INDIVIDUALS

(As defined under Code Section 105(h)(5))

1. Among the five highest-paid officers of the employer,
2. Owns more than 10% in stock, or
3. The highest paid 25% of all employees.

Please list all Highly Compensated Individuals

1. _____

4. _____

2. _____

5. _____

3. _____

6. _____