

Department of the Treasury

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No. 1545-0047 Open to Public

For		006 calendar year, or tax year beginning 04/01, 2006, and er	ndina	U3 /	31/2007
	rf applicabl				ployer identification number
¬ .	deress	use IRS		_	2149962
_	ange ame chan	print of	Room/suite		ephone number
-	itial return	type	Roomsuite	1	•
\dashv		Specific Characteristics and ZID 1.4	 	F Acc	03) 248-3000 ounting
_	nal return mended	Instruc- tions ARLINGTON, VA 22216		meti	7 — , —
	turn polication		U and Lara not an		Other (specify)
	ending	 Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ). 			to section 527 organizations
			H(a) Is this a grou		
		▶ WWW.IQT.ORG	H(b) If "Yes," ente		
Org	anızatı	on type (check only one) ► X 501(c) (3) ◀ (insert no) 4947(a)(1) or 527	H(c) Are all affiliate		led? Yes No See instructions)
Che	ck here	if the organization is not a 509(a)(3) supporting organization and its gross	H(d) is this a separa		· ·
rec	eipts ar	e normally not more than \$25,000. A return is not required, but if the organization chooses	organization co	wered by	a group ruling? Yes X No
to f	ile a ret	turn, be sure to file a complete return	I Group Exemp	ption Nu	mber ► N/A
			M Check	if	the organization is not required
Gro	ss rece	eipts Add lines 6b, 8b, 9b, and 10b to line 12 54, 289, 611.	to attach Sch	B (For	m 990, 990-EZ, or 990-PF)
art	R	evenue, Expenses, and Changes in Net Assets or Fund Balances (See the in:	structions)		
	1	Contributions, gifts, grants, and similar amounts received			
		Contributions to donor advised funds			
		Direct public support (not included on line 1a)		7	
1		Indirect public support (not included on line 1a)		1	
			4,024,972.	1	
		Total (add lines 1a through 1d) (cash \$ 54,024,972. noncash \$	NONE)	1 e	54,024,972
i		Program service revenue including government fees and contracts (from Part VII, line 93		 	
j					····
1	_			1	
1		Interest on savings and temporary cash investments		++	
	_	Dividends and interest from securities Gross rents FEB 19 2008	· · · · · · · · · ·	5	
		1 1 1 1 271		-	
ŀ		Less rental expenses		- _	
	С	Net rental income or (loss) Subtract line 6b from (1915), UT	<i></i>	6c	
ŀ		Other investment income (describe STMT 6)	7	31,260
			Other	-	
		than inventory	<u>85,709.</u>	4	
		Less cost or other basis and sales expenses. 664, 039. 8b	86,948.	4 1	
١	C	Gain or (loss) (attach schedule) STMT 2			
	ď	Net gain or (loss) Combine line 8c, columns (A) and (B)		8 d	-517 <u>,6</u> 08
- 1	9	Special events and activities (attach schedule). If any amount is from gaming, check her	re ▶		
	а	Gross revenue (not including \$ of		1 1	
ŀ		contributions reported on line 1b)			
1	b	Less direct expenses other than fundraising expenses			
		Net income or (loss) from special events. Subtract line 9b from line 9a		9 c	
	10 a	Gross sales of inventory, less returns and allowances			
		Less cost of goods sold		7	
Į		Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from lin	ne 10a	100	
	11	Other revenue (from Part VII, line 103)		_	
	12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			53,538,624
	13	Program services (from line 44, column (B))			33,081,958
	14	Management and general (from line 44, column (C))			13,051,656
	15	Fundraising (from line 44, column (D))			13,031,030
	16	Payments to affiliates (attach schedule)		1 1	
ı	17				AC 122 C1A
		Total expenses. Add lines 16 and 44, column (A)		-11-	46,133,614
	18	Excess or (deficit) for the year. Subtract line 17 from line 12			7,405,010
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			39,062,043
		Other changes in net assets or fund balances (attach explanation) STMT	<i>'</i>	20	7,609,801
וופו שפפון	20			1 !	
	21	Net assets or fund balances at end of year Combine lines 18, 19, and 20 Act and Paperwork Reduction Act Notice, see the separate instructions.	<u> </u>	. 21	54,076,854 Form 990 (200

Fel	Ш	Functional Expenses organ	nzation	ations must complete columi is and section 4947(a)(1) i	n (A) Columns (B), (C), a nonexempt charitable trust	nd (D) are required for s s but optional for others	ection 501(c)(3) and (4)
	Do r	not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a	Grant	s paid from donor advised funds (attach schedule)			i.		
	(cash :	noncash \$.)		i.		
		amount includes foreign grants,	22a				
22b	Other	grants and allocations (attach schedule)			į		
	(cash	s amount includes foreign grants,	.)				
	check	< here ▶ 📖	22t	NONE	NONE		
		cific assistance to individuals					
		ch schedule)	23				
		efits paid to or for members	24		<u> </u>		
		ch schedule)	24		 -	1	
		pensation of current officers,					
		ctors, key employees, etc listed in V-A (attach schedule)	0.5	5 000 647	0.070.105		
		pensation of former officers,	25a	5,033,647.	2,078,135.	2,955,512.	
		ctors, key employees, etc. listed in					
		V-B (attach schedule)	251				
		pensation and other distributions, not includ-	231	,			
•	ed a	bove, to disqualified persons (as defined					
		r section 4958(f)(1)) and persons described	250				
		ction 4958(c)(3)(B) (attach schedule) ines and wages of employees not	<u>-~`</u>				
		ided on lines 25a, b, and c	26	8,543,743.	6,451,617.	2,092,126.	
27		sion plan contributions not		0,010,710.	0/131/017.		
	inclu	ided on lines 25a, b, and c	27	346,521.	240,501.	106,020.	
28		oloyee benefits not included on				20070200	
	lines	s 25a - 27	28	656,757.	415,118.	241,639.	
29		roll taxes	29				
30	Prof	fessional fundraising fees	30				
31	Acc	ounting fees	31	536,399.		536,399.	
		al fees	32	673,968.		673,968.	
		plies	33	167,333.	18,513.	148,820.	
34	Tele	phone	34	339,210.	199,821.	139,389.	
35	Pos	tage and shipping	35	29,932.	8,751.	21,181.	
36	Occ	upancy	36	1,093,924.	278,281.	815,643.	<u> </u>
		ipment rental and maintenance	37	42,790.	5,927.	36,863.	
38	Prin	ting and publications	38	18,590.	8,774.	9,816.	
39		/el	39		644,309.	273,437.	
40		ferences, conventions, and meetings .	40		125,653.	465,123.	
41		rest	41	T			
42		reciation, depletion, etc. STMT 3	42	398,770.	106,492.	292,278.	
		er expenses not covered above (itemize)					
		MT_8	43		22,500,066.	4,243,442.	
b			431	· · · · · · · · · · · · · · · · · · ·			
C			43				
d e			430				
			43	† · · · · · · · · · · · · · · · · · · ·			
g			43	 			
_		Il functional expenses, Add lines 22a		*			
	thro	ugh 43g (Organizations completing			1	İ	
		mns (B)-(D), carry these totals to lines 5)	. 44	46,133,614.	33,081,958.	13,051,656.	
Joi		osts. Check ▶ If you are follo		1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	JJ, UOI, JJB.	13,031,030.	
		oint costs from a combined education	_		citation reported in (B) Pro-	gram services?	Yes X No
		enter (i) the aggregate amount of these				ted to Program services	
		mount allocated to Management and g				ocated to Fundraising \$	
JSA						<u></u>	Form 990 (2006)
6E10	20 2 0	00					, ,

For par on	licular organization. How the public perceives	, for some people, serves as the primary or sole source of s an organization in such cases may be determined by the i eturn is complete and accurate and fully describes, in Part	nformation presented
All of c	lients served, publications issued, etc. Discuss ach	P ►STATEMENT 9 achievements in a clear and concise manner State the number hievements that are not measurable (Section 501(c)(3) and (4) ts must also enter the amount of grants and allocations to others)	Program Service Expenses (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
а	SEE STATEMENT 9		
b	(Grants and allocations \$ NONE) If this amount includes foreign grants, check here ▶	33,081,958.
С	(Grants and allocations \$) if this amount includes foreign grants, check here ▶	
d	(Grants and allocations \$) If this amount includes foreign grants, check here ▶	
•	(Grants and allocations \$) If this amount includes foreign grants, check here ▶	
	Other program services (attach schedule) (Grants and allocations \$ Total of Program Service Expenses (should each) If this amount includes foreign grants, check here ▶ qual line 44, column (B), Program services) ▶	33,081,958.

Form 990 (2006)

P	art IV	Balance Sheets (See the instructions.)			
	lote:	Where required, attached schedules and amounts within the description column should be for end-of-year amounts only	(A) Beginning of year		(B) End of year
	45	Cash - non-interest-bearing		45	
	46	Cash - non-interest-bearing Savings and temporary cash investments STMT 1	46,009,230.	46	72,400,608.
	47a	Accounts receivable			
		Less allowance for doubtful accounts 47b		47c	
	_				
	482	Pledges receivable		1 1	
				40-	
	l	Less: allowance for doubtful accounts		48c	
	49	Grants receivable	32,588,852.	49	7,434,363.
	50a	Receivables from current and former officers, directors, trustees, and			
		key employees (attach schedule)		50a	
	b	Receivables from other disqualified persons (as defined under section		1 1	
		4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51a	Other notes and loans receivable (attach			
ssets		schedule)			
SS	ь	Less allowance for doubtful accounts		51c	
¥		Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	1,469,833.	+ +	419,204.
		Investments - publicly-traded securities ▶ ☐ Cost X FMV			
			1,633,388.		424,592.
	1	Investments - other securities (attach schedule) Cost X FMV	15,172,039.	54D	30,592,874.
	55a	Investments - land, buildings, and STMT 13			
		equipment basis			
	b	Less accumulated depreciation (attach			
		schedule)		55c	
	56	Investments - other (attach schedule) STMT. 14 .	2,141,049.	56	3,989,773.
	57a	Land, buildings, and equipment basis		1 1	
	Ь	Less accumulated depreciation (attach			
		schedule)	1,046,842.	57c	666,616
	58	Other assets, including program-related investments		i i	
	-	(describe ▶		58	
	59	Total assets (must equal line 74) Add lines 45 through 58	100,061,233	1 1	115,928,030.
	60	Accounts payable and accrued expenses	7,209,768		7,801,409.
	61		1,205,100	61	7,001,405.
	62	Grants payable	F2 700 400	 	54 040 767
			53,789,422	62	54,049,767
es	63	Loans from officers, directors, trustees, and key employees (attach		1	
≡		schedule)		63	····-
Liabilitie	64a	Tax-exempt bond liabilities (attach schedule)		64a	- · · · · · · · · · · · · · · · · · · ·
_	b	Mortgages and other notes payable (attach schedule)		64b	<u> </u>
	65	Other liabilities (describe ▶)		65	
				1 1	
	66	Total liabilities. Add lines 60 through 65	60,999,190	66	61,851,176
	Org	anizations that follow SFAS 117, check here ▶ X and complete lines			
	1	67 through 69 and lines 73 and 74			
es	67	Unrestricted	39,062,043	. 67	54,076,854
2	68	Temporarily restricted		68	
9	69	Permanently restricted		69	
Fund Balances	0	anizations that do not follow SFAS 117, check here ▶ □ and		1 - 1	
ğ	Org	complete lines 70 through 74		1 1	
		· · · · · · · · · · · · · · · · · · ·		7.	
0		Capital stock, trust principal, or current funds		70	
Net Assets	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
SS	72	Retained earnings, endowment, accumulated income, or other funds		72	
t A	73	Total net assets or fund balances (add lines 67 through 69 or lines			
Z		70 through 72. (Column (A) must equal line 19 and column (B) must			
		equal line 21)	39,062,043		54,076,854
	74		100.061.233	. 74	115,928,030

Рa	it IV-A	instructions.)	ianciai Statemen	ts with Reven	iue per Ketum (S	see the
—- а	Total rev	venue, gains, and other support per audited financia	al statements		a	61,148,425.
b	Amounts	s included on line a but not on Part I, line 12				
1	Net unre	alized gains on investments		b1	7,609,801.	
2		services and use of facilities				
3		ies of prior year grants				
4		pecify)				
	Add line	s b1 through b4			ь	7,609,801.
С		line b from line a				53,538,624.
d		s included on Part I, line 12, but not on line a:				
1		ent expenses not included on Part I, line 6b		d1		
2		pecify)				
-	0 1101 (0					
	Add line	s d1 and d2			d	1
e	Total re	venue (Part I, line 12) Add lines c and d			e	53,538,624.
Pa	art IV-B	venue (Part I, line 12) Add lines c and d Reconciliation of Expenses per Audited Fi	nancial Stateme	nts With Expe	nses per Return	, 00/000/02:
a		penses and losses per audited financial statements				46,133,614.
– b		s included on line a but not on Part I, line 17				, , , , , ,
_		s included on line a but not on reart i, line in		<u>[b1]</u>		
1	Donated	ar adjustments reported on Part I, line 20				
2	Prior ye	ar adjustments reported on Part I, line 20		b3		
3	Losses	reported on Part I, line 20				
4	Other (s	респу)		h4		
	A 1.1 box				ь	
		s b1 through b4				46,133,614.
C		t line b from line a				10,133,011.
d		s included on Part I, line 17, but not on line a:		d1		
1	Investm	ent expenses not included on Part I, line 6b	• • • • • • • • •	• • • – –		
2	Other (s	specify)				
						1
6	Add line	es d1 and d2			e	46,133,614.
Ö	art V-A	Current Officers, Directors, Trustees, and I				
_		or key employee at any time during the year ever		•		•
		· · · · · · · · · · · · · · · · · · ·	(B)	(C) Compensation	(D) Contributions to emplo	yee (E) Expense account
		(A) Name and address	Title and average hours per week devoted to position	(If not paid, ente	p benefit plans & deferred compensation plans	and other allowances
SF	E STAT	EMENT 17				
	· 2212			4,796,06	3. 220,18	4. 17,400
				,,	223723	
						-
			-			
			<u></u>			
			-			
	 					
			-			
_					 	
			4			
_			<u> </u>			-
			4			
_			 	ļ		
	-		-			
			 			
			4	1		
_	· 		 	ļ <u>-</u>		
	-		4			
				L		
						Form 990 (2006)

Form 990 (2006) 52-2149962							Page 6	
Part	t V-A	Current Officers, Directors, Trustees, and Ke	ey Employees (con	tinued)			Yes	No
		the total number of officers, directors, and trustee			business at board			
	emplo	ny officers, directors, trustees, or key employees byees listed in Schedule A, Part I, or highest ctors listed in Schedule A, Part II-A or II-B, nships? If "Yes," attach a statement that identifies	compensated prof	essional and o	ther independent	75b		x
	indepe organi	ny officers, directors, trustees, or key emploensated employees listed in Schedule A, Part endent contractors listed in Schedule A, Part exations, whether tax exempt or taxable, that are finition of "related organization"	II-A or II-B, receive related to the orga	compensation inization? See th	from any other e instructions for	75c		Х
		s," attach a statement that includes the information the organization have a written conflict of interest p				754		
		Former Officers, Directors, Trustees, and Management of the person below and enter the amount of the person below and enter the person below and enter the amount of the person below and enter the person below and th	(ey Employees Th	at Received C	ompensation or (Other	Ben	uring
		(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	accou	Expenunt and owance	other
			-0-	-0-	-0-	-0-		
			_					
		·	-					
			 					
			-					
			-					
		Other Information (See the instructions.)	-				Yes	No
Fai					<u> </u>		163	NO
76 77	detail	ne organization make a change in its activities or ed statement of each change				76_ 77		x
"		s," attach a conformed copy of the changes	documents but not rep	borted to the IRS	· · · · · · · · · · · · · · · · · · ·	11		X
78a	Did ti	he organization have unrelated business gross inceturn?	come of \$1,000 or	more during the	year covered by	78a		х
b	If "Ye	s," has it filed a tax return on Form 990-T for this year?				78b	N/	-
79	Was a stat	there a liquidation, dissolution, termination, or su	bstantial contraction	during the year	? If "Yes," attach	79		х
80a	comn	e organization related (other than by association non membership, governing bodies, trustees, itzation?	officers, etc. to ar	ny other exemi	ot or nonexempt	80a	х	
b	If "Ye	s," enter the name of the organization $ ightharpoonup = IN-Q-I$	CET EWBTOXEE E	NND' FFC	·			
	Enter	direct and indirect political expenditures (See line ne organization file Form 1120-POL for this year?	81 instructions)	81a	NONE	81b	27	2
	<u> </u>		<u> </u>	· · · · · · · · · · · · · · · · · · ·	<u> </u>		· · · · · ·	(2006)

JSA

Part VI Other Information (continued) 82 a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? 82 a	Yes	No
or at substantially less than fair rental value?		
· · · · · · · · · · · · · · · · · · ·	1 1	
		<u> </u>
b If "Yes," you may indicate the value of these items here. Do not include this amount		
as revenue in Part I or as an expense in Part II. (See instructions in Part III)		
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	x	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	N/A	
B4a Did the organization solicit any contributions or gifts that were not tax deductible?	N/A	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or		
gifts were not tax deductible?	N/A	
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization		
received a waiver for proxy tax owed for the prior year		
c Dues, assessments, and similar amounts from members 85c N/A		
d Section 162(e) lobbying and political expenditures		
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
f Taxable amount of lobbying and political expenditures (line 85d less 85e)		
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f		
to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h	N/A	
86 501(c)(7) orgs. Enter. a Initiation fees and capital contributions included on line 12		
b Gross receipts, included on line 12, for public use of club facilities		
87 501(c)(12) orgs Enter a Gross income from members or shareholders		
b Gross income from other sources. (Do not net amounts due or paid to other		
sources against amounts due or received from them) N/A		
88 b At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or		
partnership, or an entity disregarded as separate from the organization under Regulations sections		
301 7701-2 and 301 7701-3? If "Yes," complete Part IX	1 1:	х
b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the		
meaning of section 512(b)(13)? If "Yes," complete Part XI		Х
89 a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under		
section 4911 ▶ NONE , section 4912 ▶ NONE , section 4955 ▶ NONE		
b 501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction		
during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach		
a statement explaining each transaction	1 1:	Х
c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under		
sections 4912, 4955, and 4958 NONE		
d Enter: Amount of tax on line 89c, above, reimbursed by the organization		
e All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter	1 1	
transaction?89e]].	Х
f All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract? 89f		X
g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the		
supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings	1	
at any time during the year?	N/A	
90 a List the states with which a copy of this return is filed > CA	1 11/15	
	82	
91 a The books are in care of ► IN-Q-TEL Telephone no ► 703-248-3		
Located at ► PO BOX 749 ARLINGTON, VA ZIP+4 ► 22216	<u> </u>	
20 7 7 22210		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over	Yes	No
a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	 	X
If "Yes," enter the name of the foreign country	 	Λ
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank		
and Financial Accounts		

Form 990 (2006)			52	-2149962	Page 8
Part VI Other Information (continu	ed)			2149302	Yes No
c At any time during the calendar year,	did the organ	nization mainta	ın an office outside	of the United States?	
if "Yes," enter the name of the foreign				,	
92 Section 4947(a)(1) nonexempt charit		ing Form 990 in	lieu of Form 1041	- Check here	
and enter the amount of tax-exempt i					N/A
Part VII Analysis of Income-Produc					
Note: Enter gross amounts unless otherwise	Unrela	ited business inc	ome Excluded b	by section 512, 513, or 514	(E)
ndicated.	(A)	(B)	(C)	(D)	Related or
93 Program service revenue	Business code	Amount	Exclusion code	Amount	exempt function income
a		_			
b					
С					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies .					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments •					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					-
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			18	31,260.	
100 Gain or (loss) from sales of assets other than inventory			18	-517,608.	
101 Net income or (loss) from special events .					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d		 · · · · · · · · · · · · · · · · · ·			
e					
104 Subtotal (add columns (B), (D), and (E))	L			-486,348.	
105 Total (add line 104, columns (B), (D), and (E))				-486,348
Note: Line 105 plus line 1e, Part I, should equal					
Part VIII Relationship of Activities	to the Acco	mplishment o	of Exempt Purpos	ses (See the instructi	ons.)
Line No. Explain how each activity for which			` '		omplishment:
of the organization's exempt purpo	ses (other tha	n by providing fur	ids for such purposes)	<u> </u>	
N/A					
	 -			· · · · · · · · · · · · · · · · · · ·	
	<u> </u>				
		 			
Part IX Information Regarding Tax	able Subsid				1S.)
(A) Name, address, and EIN of corporation,		(B) Percentage of	(C) Nature of activities	(D) Total income	(E) End-of-year assets
partnership, or disregarded entity		ownership interest		Total income	assets
		%			
		%	 		
		%			
		%			
Part X Information Regarding Tra					structions.)
(a) Did the organization, during the year, receive a(b) Did the organization, during the year	r, pay premit	ums, directly o			Yes X No Yes X No
Note: If "Yes" to (b), file Form 8870 and F	orm 4720 (s	ee instructions)			

Form **990** (2006)

Part			। Transfers To and From । ation as defined in section	Controlled Entities. Complete in 512(b)(13).	only if the organization		
106			on make any transfers to a d	controlled entity as defined in secti ach controlled entity	on 512(b)(13) of	Yes	No X
		(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of trai	nsfer	<u> A</u>
а							
b							
С							
		Totals					
107		,		m a controlled entity as defined in le below for each controlled entity	section	Yes	No X
		(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of trai	nsfer	
a							
ь							
c							
		Totals					
108			a binding written contract in es described in question 107	effect on August 17, 2006, coverin ' above?	g the interest,	Yes	No X
Pleas Sign				return, including accompanying schedules all parer (other than officer) is based on all information of the Date			
Here	! 	Metthew Type or print name and	Strottmen Executive	utive Vice President +	CFO		
Paid Prepa		Preparer's signature	1200	Date 2 7 6 Self- employed	Preparer's SSN or PTIN (See C	23	X)
Use C		Firm's name (or yours if self-employed), address, and ZIP + 4		SUITE 800W	EIN ► 13-4008 Phone no ► 202-414		
			WASHINGTON, DC	20005-3333	For	550	(2000

SCHEDULE A

(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information - (See separate instructions.)
▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ Department of the Treasury Internal Revenue Service

Name of the organization TN-O-TEL TNC

Employer identification number

IN-Q-TEL, INC.					52-2	149962
Part I Compensation of the Five Highes (See page 2 of the instructions. List ea	t Paid Employe ach one. If there a	es O	ther Than Of one, enter "Non	fi cers, Direc e.")	tors, a	nd Trustees
(a) Name and address of each employee paid more than \$50,000	(b) Title and average her week devoted to po		(c) Compensation	(d) Contribute employee benefi deferred compe	t plans &	(e) Expense account and other allowances
SEE STATEMENT 18			1,552,799.	94,7	123.	NONE
						-
Total number of other employees paid over \$50,000 ▶	54	_				
Part II-A Compensation of the Five Highes (See page 2 of the instructions. List e	t Paid Independach one (whether	dent indiv	Contractors (or Professi . If there are	onal Sonone, e	ervices nter "None.")
(a) Name and address of each independent contractor paid			(b) Type of se			c) Compensation
MULTI THREADED, INC.					· -	
HERNDON, VA		CO	SULTING SE	RVICES		993,764.
ARNOLD & PORTER, LLP						
WASHINGTON, DC		LEC	GAL SERVICES	3		596,086.
SHER SECURITY, LLC		ļ				
ROUND HILL, VA		SEC	CURITY SERV	CES		305,415.
CORNERSTONE COMMUNICATIONS		ļ				
FAIRFAX, VA		COI	SULTING SE	RVICES		354,117.
LMN_SOLUTIONS, INC.		1				
OAK HILL, VA		CO	SULTING SEI	RVICES	<u> </u>	650,274.
Total number of others receiving over \$50,000 for professional services	11					
Part II-B Compensation of the Five Highes (List each contractor who performed	st Paid Indepen	dent	Contractors	for Other Se	ervices	als or
firms. If there are none, enter "None."	See page 2 of th	e ins	tructions.)	ooo, whomon	mannaa	410 01
(a) Name and address of each independent contractor paid in	nore than \$50,000		(b) Type of se	Mice	(0	:) Compensation
COPAN					·	, , , , , , , , , , , , , , , , , , , ,
LONGMONT, CO		TEC	CH. DEVELOPM	4ENT		1,767,724.
NOVODYNAMICS INCORPORATED]				2,.01,.21.
ANN ARBOR, MI		TEC	CH. DEVELOPM	1ENT		1,667,314.
IMOVE. INC.						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2006

1,414,049.

1,438,610.

1,456,038.

DEVELOPMENT

DEVELOPMENT

DEVELOPMENT

TECH.

PORTLAND, OR

LEXINGTON, MA

\$50,000 for other services

BASIS TECHNOLOGY CAMBRIDGE, MA

STREAMBASE SYSTEMS INC.

Total number of other contractors receiving over

40

Pai	Statements About Activities (See page 2 of the instructions.)	Y	'es	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B).	1		x
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)			···-
a	Sale, exchange, or leasing of property?	2 a	х	
b	Lending of money or other extension of credit?	2 b		<u>x</u>
С	Furnishing of goods, services, or facilities?	2 c	х	
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?FORM .990, .PART. V	2 d	х	
e	Transfer of any part of its income or assets?	2 e	\dashv	<u>x</u>
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3 a		x
b	Did the organization have a section 403(b) annuity plan for its employees?	3ь		х
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3 c		x
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3 d		<u>x</u>
4a		4a		<u>x</u> _
ь		4 b	N/	<u> </u>
С	Did the organization make a distribution to a donor, donor advisor, or related person?	4 c	N/	<u> </u>
đ	Enter the total number or donor advised funds owned at the end of the tax year			
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year			-
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the rights to provide advice on the distribution or investment of amounts in such funds or accounts		1	<u>NONE</u>
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year]	NONE

Schedule A (Form 990 or 990-EZ) 2006

Part IV	Reason for Non-Private For	indation Status	s (See pages 4 thro	ough / of the	: instructions.))			
certify tha	at the organization is not a private foundation	on because it is (Plea	se check only ONE appli	cable box)					
5	A church, convention of churches, or asso	ociation of churches §	Section 170(b)(1)(A)(i)						
6	A school Section 170(b)(1)(A)(ii) (Also complete Part V)								
7	A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(III).								
8	A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)								
9	A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state								
10	An organization operated for the benefit of (Also complete the Support Schedule in P	_	sity owned or operated b	y a government	al unit Section 1	70(b)(1)(A)(iv).			
11a X	An organization that normally receives a 170(b)(1)(A)(vi) (Also complete the Supplemental Complete Complete the Supplemental Complete	•		rnmental unit o	or from the gene	eral public. Section			
11b	A community trust Section 170(b)(1)(A)(vı) (Also complete the	e Support Schedule ın P	art IV-A)					
12	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)								
13	An organization that is not controlled the requirements of section 509(a)(3) C	heck the box that de	scribes the type of suppor		• ,	otherwise meets			
	Type I Type II	Type III - Fur	nctionally Integrated	Type III -	Other				
	Provide the following information	about the supported	organizations. (See pag	e 7 of the instru	uctions)				
Na	(a) ime(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	Is the si organizati the sup organi	d) upported on listed in oporting zation's documents?	(e) Amount of support			
				Yes	No				
	-								
					 				
					 				
Total · ·					▶				
14	An organization organized and operated to	test for public safe	ty Section 509(a)(4) (Sec	e page 7 of the i	instructions)				

Schedule A (Form 990 or 990-EZ) 2006

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

	endar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
	Gifts, grants, and contributions received (Do					
	not include unusual grants See line 28)	56,300,659.	47,372,884.	47,150,180.	37,863,231.	188686954.
16	Membership fees received					
17	Gross receipts from admissions, merchandise					
	sold or services performed, or furnishing of					
	facilities in any activity that is related to the					
	organization's charitable, etc., purpose					
18	Gross income from interest, dividends,					
	amounts received from payments on securities					
	loans (section 512(a)(5)), rents, royalties, and					
	unrelated business taxable income (less					
	section 511 taxes) from businesses acquired					
	by the organization after June 30, 1975	1,064,602.	386,143.	276,176.	366,432.	2,093,353.
19	Net income from unrelated business					-
	activities not included in line 18					
20	Tax revenues levied for the organization's					
	benefit and either paid to it or expended on					
	ıts behalf					
21	The value of services or facilities furnished to					
	the organization by a governmental unit					
	without charge Do not include the value of					
	services or facilities generally furnished to the					
	public without charge					
22	Other income Attach a schedule Do not					
	include gain or (loss) from sale of capital assets					
23	Total of lines 15 through 22	57, 365, 261	47 759 027	47 426 356	38 229 663	190780307.
	Line 23 minus line 17	57.365.261	47.759.027	47 426 356	38 229 663	190780307.
			477,590.			130700307.
	Organizations described on lines 10 or 11: a	· 				3,815,606.
	Prepare a list for your records to show the				· -	3,013,000.
_	governmental unit or publicly supported organ					
	amount shown in line 26a Do not file this li			_	ľ	
c	Total support for section 509(a)(1) test Enter line 24					190780307.
	Add Amounts from column (e) for lines: 182			• • • • • • • • • • • • • • • • • • • •		130700307.
Ī					▶ 26d	2 002 252
_	Public support (line 26c minus line 26d total)					2,093,353.
	Public support percentage (line 26e (numerator) o					188686954.
27	Organizations described on line 12: a For	amounts include	d in lines 15. 1	16. and 17 that	were received fr	om a "disqualified
	person," prepare a list for your records to she	ow the name of,	and total amounts	received in each	year from, each "o	disqualified person "
	Do not file this list with your return. Enter the sum NOT APPLICABLE	of such amounts for	each year.			
			(2002)		(2002)	
	(2005) (2004) (2004)		(2003)		(2002)	
D	For any amount included in line 17 that was r show the name of, and amount received for each	eceived from each h vear, that was m	person (other than ore than the larger	of (1) the amount	on line 25 for the	for your records to year or (2) \$5,000
	(Include in the list organizations described in line	es 5 through 11b, a	as well as individual	s) Do not file this	list with your retu	rn. After computing
	the difference between the amount received ar	nd the larger amou	nt described in (1)) or (2), enter the	sum of these diffe	erences (the excess
	amounts) for each year		(2002)		(2222)	
	(2005)(2004)		(2003)		(2002)	
	A 14 Ann	_	_			
С	Add Amounts from column (e) for lines: 15	1	5		. 1	I
	17 20					
d	Add: Line 27a total	and line 27b total.	•		▶ 27d	
e	Public support (line 27c total minus line 27d total).	• • • • • • • • • •	• • • • • • • • •		▶ <u>27e</u>	
f	Total support for section 509(a)(2) test. Enter amount					
· g	Public support percentage (line 27e (numerator)					
<u>h</u>	Investment income percentage (line 18, column (e) (numerator) divide	ed by line 27f (denom	ninator))	▶ 27h	%
28	Unusual Grants: For an organization describe prepare a list for your records to show, for	each vear, the n	, or 12 that rece ame of the contrib	eived any unusual outor the date an	grants during 20 d amount of the	u∠ through 2005, grant and a brief
	description of the nature of the grant Do not file thi					grain, and a Diffe

Par	Private School Questionnaire (See page 9 of the instructions.) NOT APPLICA (To be completed ONLY by schools that checked the box on line 6 in Part IV)	ABLE		<u>-</u>
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws,		Yes	No
	other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its			
	brochures, catalogues, and other written communications with the public dealing with student admissions,			
	programs, and scholarships?	30	_	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during			
	the period of solicitation for students, or during the registration period if it has no solicitation program, in a way	1		
	that makes the policy known to all parts of the general community it serves?	31		
•	If "Yes," please describe; if "No," please explain (If you need more space, attach a separate statement)			-,
		f		
32	Does the organization maintain the following:			
_	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	1	1
	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory	<u></u>	_	
-	hasis?	32b		ļ
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing	220		
•	with student admissions, programs, and scholarships?	32c		
d		32d		
	, , , , , , , , , , , , , , , , , , ,			
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	ĺ		
		ŀ		
33	Does the organization discriminate by race in any way with respect to			
		i		
а	Students' rights or privileges?	33a		
b	Admissions policies?	33Ь		
		Ì		
C	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
е	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
		1		
ħ	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)			
		İ		
		l		
		ļ		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		<u> </u>
	Headha ann an Aireile an Idda ann an Aireile an Idda ann an Aireile an Idda an Aireile an Idda an Aireile an Idda an I			
k	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement			
2 =	Done the accomplished what when accomplished with the control of t	}		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4.05 of Rev Proc 75-50, 1975-2 C B. 587, covering racial nondiscrimination? If "No," attach an explanation			
	of they into 19-90, 1979-2 or 0. 907, covering racial nonulse initiation (it into, attach an explanation	35		l

Pa	rt VI-A Lobby	ing Ex	xpenditures by Elec pleted ONLY by an	ting Public Charitie	es (See page 1	0 of t	he instruc	tions.	.)	
Che			zation belongs to an affile							LE trol" provisions apply
		L	imits on Lobbying	Expenditures			Affiliate	a)		(b) To be completed for all electing
			"expenditures" means							organizations
36	Total lobbying ex	(pendi	tures to influence publ	ic opinion (grassroots	s lobbying)	36				
37	l otal lobbying ex	pendi	tures to influence a leg	gislative body (direct	lobbying)	37				
38	Other control of	(penai	tures (add lines 36 an	d 3/)		38				
39	Other exempt pu	irpose	expenditures	- 20 1 20)		39				
40			expenditures (add line			40				
41	If the amount on		mount Enter the amo		7					
				bbying nontaxable ar	`					
			20% of t							
			\$1,000,000 \$100,00			41				
			er\$1,500,000 \$175,00 er\$17,000,000 \$225,00			41		 		*······
			\$1,000,							
42	Grassroots nonta	 axable	amount (enter 25% o	f line 41)		42			1	
43	Subtract line 42	from li	ne 36. Enter -0- if line	42 is more than line	36	43				
44			ne 38 Enter -0- if line			44				
-										
	Caution: If there	is an	amount on either line	43 or line 44, you mus	st file Form 4720					
				Averaging Period		501(h)			
	(Some orga	anizatı	ons that made a secti						umns l	below
			See the instruction	ns for lines 45 throug	h 50 on page 13	of the	e instructio	ns)		
				Lobbying Expend	itures During 4	-Year	Averagir	ıg Pei	riod	
	Calendar year (or	fiscal	(a)	(b)	(c)		((d)		(e)
·	year beginning in)	>	2006	2005	2004		2	003		Total
	Lobbying nontaxat	ole								
<u>45</u>	amount									
	Lobbying ceiling a	mount								
46	(150% of line 45(e)	<u>)) </u>			ļ					
47	Total lobbying expend									
	Grassroots nontax									
48	amount	• • •								· · ·
4.0	Grassroots ceiling arr									
49	(150% of line 48(e))				 					
5 0	Grassroots lobbyin expenditures	•								
			ctivity by Nonelecti	ng Public Charities	<u>. </u>					
Fe			ing only by organiza			A) (S	TON Caped ee	APPL I3 of t	LCAB	LE structions \
Dur			ization attempt to influen						110 1113	structions.)
			nion on a legislative mat			ing any		Yes	No	Amount
					_				1	
b	Paid staff or ma	nagem		ation in expenses rep	orted on lines of		 h)		\vdash	
			· · · · · · · · · · · · · · · · · · ·							
d	Mailings to mem	bers	legislators, or the publ				• • • • •			
e	Publications, or	publisl	ned or broadcast state	ments						
f			zations for lobbying pu							
g			ıslators, their staffs, g		r a legislative bod	 v				
_	Rallies, demons	tration	s, seminars, conventi	ons, speeches lecture	s. or any other me	ans				
1			tures (Add lines c thro							<u></u>
-			bove, also attach a st					tivities		
JSA	240.2.000						,9 40			Form 990 or 990-EZ) 2006

Part VII	Information Regarding Exempt Organizations (Transfers To and Transactions and See page 13 of the instructions.)	d Relationships With Noncharitable	
51 Did the re	eporting organization directly	y or indirectly engage in any of the follo	owing with any other organization described	In section
			n 527, relating to political organizations?	
a Transfers	from the reporting organiza	ation to a noncharitable exempt organiz	ation of	Yes No
(i) Cas	h	· · · · · · · · · · · · · · · · · · ·	51a(i) x
(ii) Oth	er assets		a(ii)) x
b Other tra				
(i) Sale	es or exchanges of assets v	vith a noncharitable exempt organization	b(i)	X
(ii) Pur	chases of assets from a no	ncharitable exempt organization	b(ii) <u>x</u>
(iii) Ren	ital of facilities, equipment, o	or other assets	b(iii) <u>x</u>
(iv) Reii	mbursement arrangements		b(iv) <u>x</u>
(v) Loa	ns or loan guarantees		b(v	
(vi) Per	formance of services or me	mbership or fundraising solicitations	b(vi	
		ing lists, other assets, or paid employees		<u> </u>
			(b) should always show the fair market value of the	?
		the reporting organization If the organization in the organization in the column (d) the value of the goods, other	-	
(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing a	arrangements
			o sample of the	ariangemento
N/A				
N/A				
				
				··· <u></u>
describe	ed in section 501(c) of the C complete the following sch		n section 527? Y	es X No
N;	(a) ame of organization	(b) Type of organization	(c) Description of relationship	
N/A				
				
		<u> </u>		
				·
	 			
				
				
				· · · · · · · · · · · · · · · · · · ·
		 		

FORM 990 - GENERAL EXPLANATION ATTACHMENT

INTEREST INCOME INCLUDED IN DEFERRED REVENUE PART IV, LINES 46 & 62

FOR THE REPORTING PERIOD ENDING MARCH 31, 2007, THE TAXPAYER WAS OBLIGATED TO UTILIZE ALL INTEREST EARNED ON CASH RECEIVED UNDER CONTRACT WITH THE CENTRAL INTELLIGENCE AGENCY FOR THE SUPPORT OF SCIENTIFIC RESEARCH OR EDUCATION IN PURSUIT OF THE TAXPAYER'S MISSION. INTEREST IN THE AMOUNT OF \$ 3,358,894 WAS RECEIVED DURING THE REPORTING PERIOD AND HAS BEEN INCLUDED AS DEFERRED REVENUE ON THE BALANCE SHEET.

FORM 990 - GENERAL EXPLANATION ATTACHMENT _____

REALIZED GAINS AND LOSSES PART I, LINES 8A-D

SECURITY NAME	COST	PROCEEDS(*)	GAIN/LOSS
IATROQUEST	\$0	\$25,258	\$25,258
EEI	\$54,664	\$122,412	\$67,748
A4 CORPORATION	\$609,375 	\$0 	(\$609,375)
TOTAL SALE OF SECURITIES (COLUMN A)	\$664 , 039	\$147,670	(\$516 , 369)
ASSET NAME	COST	PROCEEDS (*)	GAIN/LOSS
FURNITURE & FIXTURES	\$86,948	\$85,709	(\$1,239)
TOTAL SALE OF OTHER ASSETS (COLUMN B)	\$86,948	 \$85,709	 (\$1,239)
=======================================	======================================		
NET GAIN/(LOSS) FROM SALES (LINE 8D)	\$750 , 987	\$233,379	(\$517,608)

^(*) IN-Q-TEL IS REQUIRED TO REINVEST RETURNS INTO FURTHER TECHNOLOGIES AND PROGRAMS TO BENEFIT THE CIA, THE INTELLIGENCE COMMUNITY AND THE US GOVERNMENT, IN ACCORDANCE WITH THE ORGANIZATION'S NON-PROFIT MISSION AND AGREEMENT WITH THE CIA.

FORM 990 - GENERAL EXPLANATION ATTACHMENT

DEPRECIATION & FIXED ASSETS
PART II, LINE 42 (DEPRECIATION EXPENSE) & PART IV, LINE 57 (FIXED ASSETS)

COMPUTER EQUIPMENT FURNITURE AND FIXTURES LEASEHOLD IMPROVEMENTS OFFICE EQUIPMENT	\$1,979,276 \$ 477,828 \$ 942,418 \$ 735,257
TOTAL	\$4,134,777
ACCUMULATED DEPRECIATION	(\$3,468,161)
TOTAL FIXED ASSETS	\$ 666,616
DEPRECIATION EXPENSE	\$ 398,770

FORM 990 - GENERAL EXPLANATION ATTACHMENT

COMPENSATION EXPLANATION PART V & SCHEDULE A, PART I

IN-Q-TEL'S MISSION IS TO DELIVER LEADING-EDGE TECHNOLOGIES TO THE CIA AND THE INTELLIGENCE COMMUNITY BY INVESTING IN TECHNOLOGIES THAT ARE BENEFICIAL TO THE SECURITY OF THE UNITED STATES. IN ORDER TO EFFECTIVELY PERFORM THIS JOB, IN-Q-TEL HIRES EMPLOYEES WITH HIGHLY DIFFERENTIATED SKILLS AND CREDENTIALS. IN-Q-TEL MUST ATTRACT, RETAIN AND REWARD EMPLOYEES (BASED ON PERFORMANCE) FROM THE INDUSTRIES AND TALENT POOLS ALIGNED WITH THE MISSION OF IN-Q-TEL. THIS REQUIRES A MIX OF EMPLOYEES FROM THE PRIVATE EQUITY, FINANCIAL SERVICES, HIGH TECHNOLOGY AND GENERAL INDUSTRY MARKETS. COMPENSATION PROGRAMS AND POLICIES NECESSARILY ARE MODELED AFTER THOSE FOUND IN THESE MARKETS AND ARE DESIGNED TO ENCOURAGE EMPLOYEES TO ACHIEVE AGAINST GOALS. THE HIGHLY SPECIALIZED TALENTS NECESSARY TO MEET THE NEEDS OF THE BUSINESS ARE TYPICALLY NOT FOUND IN TRADITIONAL NON-PROFIT ORGANIZATIONS.

OUR COMPENSATION PLAN WAS DEVELOPED TO PAY OUR EMPLOYEES APPROPRIATELY UNDER GUIDELINES FOR NOT-FOR-PROFIT 501(C)(3) ORGANIZATIONS, AND IN DOING SO INCENTIVIZE EMPLOYEES TO ACHIEVE MISSION GOALS. THE HUMAN RESOURCES AND COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES IS RESPONSIBLE FOR THE ONGOING OVERSIGHT OVER THE ADMINISTRATION OF COMPENSATION AT IN-Q-TEL.

COMPENSATION PROGRAMS

IN-Q-TEL'S COMPENSATION PROGRAM CONSISTS OF:

- * BASE SALARY (ANNUAL INCREASES ARE BASED ON SURVEY MARKET DATA AND INDIVIDUAL PERFORMANCE)
- * ANNUAL INCENTIVE PROGRAM (BASED SOLELY ON PERFORMANCE)
- * EMPLOYEE INVESTMENT PROGRAM (LONG-TERM INCENTIVE; INDICATOR OF LONG-TERM PERFORMANCE SUCCESS.)

BASE SALARY

BASE SALARY IS DETERMINED BASED ON RELEVANT MARKET DATA IN APPROPRIATE INDUSTRIES AND REVIEWED BY INDEPENDENT OUTSIDE CONSULTANTS.

ANNUAL INCENTIVE PLAN

THE ANNUAL INCENTIVE PLAN IS BASED SOLELY ON PERFORMANCE. IT IS DESIGNED TO FOCUS, MOTIVATE AND REWARD IN-Q-TEL EMPLOYEES FOR THE ACHIEVEMENT OF SPECIFIC ANNUAL GOALS AND OUTCOMES THAT ADVANCE THE SUCCESS OF IN-Q-TEL IN CARRYING OUT ITS MISSION FOR THE CIA AND THE INTELLIGENCE COMMUNITY.

FORM 990 - GENERAL EXPLANATION ATTACHMENT (CONT'D) _____

PROGRAMS, SHARING BOTH THE RISK AND THE BENEFITS.

EMPLOYEES' "TARGET" BONUS IS BASED ON MARKET SURVEY DATA FOR COMPARABLE POSITIONS IN COMPARABLE INDUSTRIES. AN EMPLOYEE'S ANNUAL INCENTIVE IS TIED TO PERFORMANCE AGAINST COMPANY AND INDIVIDUAL GOALS AND OBJECTIVES.

IN-Q-TEL'S PERFORMANCE SCORE IS BASED ON THE COMPANY'S ACHIEVEMENTS DURING THE RELEVANT FISCAL YEAR AS DETERMINED BY THE BOARD OF TRUSTEES AND ADVISED BY AN ANNUAL REVIEW PROVIDED BY THE CIA'S IN-O-TEL INTERFACE CENTER -

EMPLOYEE INVESTMENT PROGRAM (EIP) _____

AS A NON-PROFIT CORPORATION, NON STOCK ENTITY, IN-Q-TEL IS UNABLE TO OFFER STOCK OR STOCK OPTIONS ON TERMS SIMILAR TO THE EQUITY-BASED COMPENSATION OF COMPETITIVE PUBLICLY TRADED COMPANIES. THE EIP PROVIDES A MEANS BY WHICH THE COMPANY CAN OFFER A LONG-TERM EMPLOYEE INVESTMENT PROGRAM AND PROVIDES EMPLOYEES A COMPELLING STAKE IN THE COMPANY'S

THE EIP IS A LIMITED LIABILITY CORPORATION (LLC) WHICH MAKES SIDE-BY-SIDE INVESTMENTS WITH IN-Q-TEL INTO EACH PORTFOLIO SECURITY. ALL EMPLOYEES ARE REQUIRED TO INVEST A PORTION OF THEIR AFTER TAX COMPENSATION INTO THE EIP WHICH IS USED TO MAKE THESE SIDE-BY-SIDE INVESTMENTS. THIS LONG-TERM INCENTIVE CREATES POSITIVE INCENTIVES THAT BENEFIT THE MISSION BY ALIGNING EMPLOYEES' INTERESTS WITH THE OVERALL SUCCESS OF IN-O-TEL'S PROGRAMS AND MISSION.

THE EIP WAS FROZEN IN JUNE 2007 AND REPLACED WITH A QUARTERLY CASH BONUS PROGRAM.

BOARD OF TRUSTEES COMPENSATION

TRUSTEES FEES PAID IN THIS REPORTING PERIOD WERE PAID PURSUANT TO A PLAN APPROVED BY A COMMITTEE OF TRUSTEES, WHO HAVE WAIVED THE RIGHT TO RECEIVE COMPENSATION, WITH ADVICE OF OUTSIDE COMPENSATION CONSULTANTS AS TO REASONABLENESS.

FORM	990,	PART	Ι	-	OTHER	INVESTMENT	INCOME
				==-			

DESCRIPTION AMOUNT

OTHER INCOME FROM IN-Q-TEL EMPLOYEE FUND, LLC 31,260.

TOTAL 31,260.

FORM	990,	PART	I	_	OTHER	INCREASES	IN	FUND	BALANCES

DESCRIPTION

AMOUNT

UNREALIZED GAIN ON INVESTMENTS

7,609,801.

TOTAL

7,609,801.

?

FORM 990, PART II - OTHER EXPENSES

		PROGRAM SERVICES	MANAGEMENT AND GENERAL
DUES AND SUBSCRIPTIONS	50,605.	22,063.	28,539.
PROFESSIONAL FEES	93,241.		93,241.
RECRUITING, HR, PLACEMENT FEES	45,339.		45,339.
INSURANCE	444,521.		444,521.
MISCELLANEOUS	5,761.	5,281.	480.
TEMPORARY HELP	3,472.	1,931.	1,541.
LICENSES AND PERMITS	43,922.		43,922.
RESEARCH MATERIALS	121,838.	110,583.	11,255.
WORK PROGRAMS FOR CUSTOMERS	25,217,614.	21,822,782.	3,394,832.
EQUIPMENT EXPENSE	589,500.	537,426.	52,074.
BANK FEES	127,		127,698.
TOTALS	26,743,508.	22,500,066.	

STATEMENT

PROGRAM SERVICE ACCOMPLISHMENT A

IN-Q-TEL WAS ESTABLISHED IN 1999 AS AN INDEPENDENT, PRIVATE AND NOT-FOR-PROFIT COMPANY TO HELP THE CIA AND THE GREATER US INTELLIGENCE COMMUNITY (IC) IDENTIFY, ADVANCE, AND DEPLOY CUTTING-EDGE TECHNOLOGIES THAT MEET PRESENT AND FUTURE INTELLIGENCE NEEDS. IN-Q-TEL'S OPEN AND ENTREPRENEURIAL INVESTMENT MODEL GIVES IT THE AGILITY - LACKING WITHIN TRADITIONAL GOVERNMENT CONTRACTING APPROACHES - TO FIND AND NURTURE THE ENTREPRENEURS AND COMPANIES THAT CAN PROVIDE A SUPPLY CHAIN OF INNOVATION THAT ENABLES THE IC TO BENEFIT FROM TECHNOLOGY BREAKTHROUGHS.

IN-Q-TEL'S MISSION IS TO TAKE THE CALCULATED INVESTMENT RISKS NECESSARY TO SUPPORT LEADING-EDGE, BUT OFTEN UNPROVEN TECHNOLOGIES AND MATURE THEM TO OPERATIONAL TECHNOLOGIES THAT HELP THE CIA AND THE IC ACHIEVE THEIR MISSION.

APPROACH

IN-Q-TEL WORKS AS:

- * A STRATEGIC INVESTMENT FIRM, INVESTING IN COMPANIES AND HELPING BUILD BUSINESSES INTO RELIABLE PROVIDERS FOR THE
- * A TECHNOLOGY ACCELERATOR, FOSTERING DEVELOPMENT AND INTRODUCTION OF TECHNOLOGIES NEEDED BY THE IC
- * A CAPABILITIES BUILDER, HELPING NASCENT COMMERCIAL TECHNOLOGIES MATURE INTO COMMERCIAL-OFF-THE-SHELF (COTS) PRODUCTS THE GOVERNMENT CAN BUY
- * AN IDEA LAB AND FORUM FOR INNOVATION, PROVIDING THE IC WITH INSIGHT AND ACCESS TO BOTH NEW TECHNOLOGIES AND LEADING INNOVATORS AND THINKERS

IDENTIFYING THE NEWEST TECHNOLOGIES:

EQUITY INVESTMENTS AND WORK PROGRAMS ARE IN-Q-TEL'S MAIN AVENUE FOR GAINING ACCESS TO EMERGING COMPANIES THAT ARE NOT KNOWN TO THE IC. THROUGH EQUITY INVESTMENTS, IN-Q-TEL GAINS INSIGHT AND INFLUENCE TO SUPPORT TECHNOLOGY DEVELOPMENT THAT WILL GENERATE PRODUCTS FOR THE IC. IN-Q-TEL COMPLEMENTS EQUITY STAKES WITH LATE-STAGE RESEARCH AND DEVELOPMENT PROGRAMS. IN THIS WAY, OUR INVESTMENTS ACCELERATE PRODUCT DEVELOPMENT AND DELIVERY AND HELP COMPANIES ADD CAPABILITIES THAT IC USERS NEED.

AREAS OF FOCUS INCLUDE A BROAD RANGE OF TECHNOLOGIES FROM INFORMATION TECHNOLOGY, ELECTRONICS AND SEMICONDUCTORS AS WELL AS PHYSICAL AND BIOLOGICAL SCIENCES.

BUILDING STRONG COMPANIES FOR STRONG TECHNOLOGIES:

USING PRODUCT DEVELOPMENT FUNDING AND EQUITY INVESTING, IN-Q-TEL CREATES INCENTIVES FOR COMPANIES TO PUT THEIR BEST TALENT INTO SOLVING THE TOUGHEST TECHNOLOGY PROBLEMS FACING THE CIA AND THE INTELLIGENCE COMMUNITY. THROUGH WORK PROGRAMS AND MARKET GUIDANCE, IN-Q-TEL FOSTERS THE DEVELOPMENT OF STRONG COMPANIES, WHICH PRODUCE COMMERCIALLY VIABLE TECHNOLOGIES THAT AT THE SAME TIME SOLVE CRITICAL CIA AND INTELLIGENCE COMMUNITY MISSION CHALLENGES.

SERVING NEW INTELLIGENCE COMMUNITY CUSTOMERS:

TODAY, IN-Q-TEL HAS EXPANDED ITS IC PARTNERSHIPS TO INCLUDE CIA, THE DEFENSE INTELLIGENCE AGENCY (DIA), THE FEDERAL BUREAU OF INVESTIGATION (FBI), THE NATIONAL GEOSPATIAL INTELLIGENCE AGENCY (NGA) AND OTHERS.

PROGRAM ACCOMPLISHMENTS

IN FURTHERANCE OF ITS EXEMPT PURPOSES, IN-Q-TEL'S ACHIEVEMENTS SINCE INCEPTION IN 1999 THROUGH MARCH 31, 2007 INCLUDE THE FOLLOWING:

- 1. DELIVERED MORE THAN 120 TECHNOLOGIES, MANY OF WHICH HAVE CONTRIBUTED DIRECTLY TO CIA AND IC MISSIONS. TECHNOLOGY DELIVERED BY IN-Q-TEL, FOR EXAMPLE, MAKES IT POSSIBLE TO FUSE DATA FROM MAPS, IMAGES, TEXT AND OTHER SOURCES; VISUALIZE INFORMATION IN WAYS NOT PREVIOUSLY POSSIBLE; RAPIDLY PROCESS VAST AMOUNTS OF INFORMATION IN MULTIPLE LANGUAGES; MAKE SENSE OF SEEMINGLY UNCONNECTED INFORMATION; AND IDENTIFY THE MOST CRITICAL INTELLIGENCE FASTER AND MORE EFFECTIVELY.
- 2. ENGAGED WITH MORE THAN 100 COMMERCIAL COMPANIES, MOST OF WHICH WERE PREVIOUSLY UNKNOWN TO THE GOVERNMENT, AND MORE THAN 15 UNIVERSITIES AND RESEARCH LABS, WHICH IN-Q-TEL IDENTIFIED THROUGH ITS COMMERCIAL AND ACADEMIC OUTREACH PROGRAMS AND BY REVIEWING MORE THAN 6,500 US AND INTERNATIONAL COMPANIES' BUSINESS PLANS.

- 3. CULTIVATED A NETWORK OF MORE THAN 200 VENTURE CAPITAL FIRMS, 100 LABS AND RESEARCH ORGANIZATIONS, FURTHER BROADENING THE IC'S ACCESS TO INNOVATIVE TECHNOLOGIES.
- 4. LEVERAGED MORE THAN \$1.2 BILLION IN PRIVATE-SECTOR FUNDS TO SUPPORT TECHNOLOGY FOR THE CIA AND THE IC.

GOVERNANCE AND OVERSIGHT:

IN-Q-TEL IS BOUND BY A CHARTER AGREEMENT WITH THE CIA, WHICH SETS OUT THE RELATIONSHIP BETWEEN THE TWO ORGANIZATIONS, AND BY AN ANNUAL CONTRACT WITH THE CIA. IN-Q-TEL IS NOT PART OF THE CIA AND IS NOT A GOVERNMENT AGENCY.

THE COMPANY IS GOVERNED BY AN INDEPENDENT BOARD OF TRUSTEES COMPRISED OF FORMER CABINET OFFICERS AND OFFICIALS FROM THE DEFENSE AND INTELLIGENCE COMMUNITIES, AS WELL AS CEOS OF MAJOR COMPANIES, UNIVERSITY LEADERS, AND LEADERS OF THE INVESTMENT INDUSTRY.

A GOVERNMENT CONTRACTOR OPERATING AS AN INDEPENDENT NONPROFIT CORPORATION, IN-Q-TEL RECEIVES REGULAR OVERSIGHT FROM THE CIA, WHICH KEEPS CONGRESS INFORMED OF THE COMPANY'S ACTIVITIES.

IN-Q-TEL HAS BEEN THE FOCUS OF A NUMBER OF THOUGHTFUL STUDIES THAT DESCRIBE AND SCRUTINIZE THE ORGANIZATION. TWO ARE CITED BELOW.

* BUSINESS EXECUTIVES FOR NATIONAL SECURITY (BENS)
IN A REPORT TO CONGRESS, AN INDEPENDENT PANEL OF BUSINESS
EXECUTIVES RECOMMENDED THAT IN-Q-TEL SERVE AS THE CIA'S
"TECHNOLOGY ACCELERATOR." THE PANEL CONCLUDED THAT IN-Q-TEL
HAS ACHIEVED SIGNIFICANT EARLY PROGRESS AND THAT "CREATING
A MODEL LIKE IN-Q-TEL MAKES GOOD BUSINESS SENSE."

THE ASSESSMENT WAS MADE BY A PANEL FROM BUSINESS EXECUTIVES FOR NATIONAL SECURITY, A NATIONAL, NON-PARTISAN, AND NOT-FOR-PROFIT ORGANIZATION OF BUSINESS LEADERS- 30 OF WHOM FORMED THE INDEPENDENT PANEL AFTER THE CIA SELECTED BENS TO CONDUCT THE CONGRESSIONALLY MANDATED STUDY. THE REPORT, "ACCELERATING THE ACQUISITION AND IMPLEMENTATION OF NEW TECHNOLOGIES FOR INTELLIGENCE: THE REPORT OF THE INDEPENDENT PANEL ON THE CENTRAL INTELLIGENCE AGENCY IN-Q-TEL VENTURE," WAS SUBMITTED TO THE CIA AND CONGRESS.

11

JUNE 2001 SOURCE-BUSINESS EXECUTIVES FOR NATIONAL SECURITY WWW.BENS.ORG

* HARVARD BUSINESS SCHOOL CASE STUDY

THIS HARVARD BUSINESS SCHOOL CASE STUDY PROVIDES BACKGROUND ABOUT IN-Q-TEL'S HISTORY AND STRATEGY, LAYING THE GROUNDWORK FOR IN-Q-TEL TO CONSIDER THE CASE FOR EXPANSION.

BY JOSH LERNER, FELDA HARDYMON, KEVIN BOOK, ANN LEAMON FEBRUARY 12, 2004
SOURCE-HARVARD BUSINESS SCHOOL
HTTP://HARVARDBUSINESSONLINE.HBSP.HARVARD.EDU/B02/EN/CASES/C ASES_HOME.JHTML

IN ADDITION WE PARTICIPATE IN PERIODIC REVIEWS BY THE INSPECTOR GENERAL' OFFICE AND THE U.S. SENATE SELECT COMMITTEE ON INTELLIGENCE TO ASSESS THE EFFECTIVENESS OF TECHNOLOGY SOLUTIONS FROM OUR INVESTMENTS IN SOLVING CHALLENGING PROBLEMS IN THE CIA AND INTELLIGENCE COMMUNITY.

12

FORM 990, PART IV - INVESTMENTS - OTHER SECURITIES

DESCRIPTION	ENDING BOOK VALUE
PREFERRED STOCK COMMON STOCK WARRANTS - PREFERRED WARRANTS - COMMON	24,683,520. 351,506. 5,479,023. 78,825.
TOTALS	30,592,874.

FORM 990, PART IV - INVESTMENTS - OTHER

DESCRIPTION

ENDING BOOK VALUE

INVESTMENT IN IN-Q-TEL EMPLOYEE FUND, LLC CONVERTIBLE NOTE

2,023,835. 1,965,938.

TOTALS

3,989,773.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2A

THE ORGANIZATION HAS ENTERED INTO SEVERAL CONTRACTS WITH OTHER ENTITIES WITH WHICH VARIOUS TRUSTEES AND EXECUTIVES ARE RELATED. IN COMPLIANCE WITH THE ORGANIZATION'S CONFLICT OF INTEREST POLICY, SUCH TRUSTEES AND EXECUTIVES RECUSED THEMSELVES FROM DECISIONS CONCERNING ANY ENTITY WITH WHICH THEY ARE RELATED TO ENSURE THAT ALL CONTRACTS WERE NEGOTIATED ON AN ARM'S LENGTH BASIS AND APPROVED BY DISINTERESTED TRUSTEES.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

THE ORGANIZATION HAS ENTERED INTO SEVERAL CONTRACTS WITH OTHER ENTITIES WITH WHICH VARIOUS TRUSTEES AND EXECUTIVES ARE RELATED. IN COMPLIANCE WITH THE ORGANIZATION'S CONFLICT OF INTEREST POLICY, SUCH TRUSTEES AND EXECUTIVES RECUSED THEMSELVES FROM DECISIONS CONCERNING ANY ENTITY WITH WHICH THEY ARE RELATED TO ENSURE THAT ALL CONTRACTS WERE NEGOTIATED ON AN ARM'S LENGTH BASIS AND APPROVED BY DISINTERESTED TRUSTEES.

FORM 990, PART V-A, CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

IN-Q-TEL, INC

Contributions to employee other allowances benefit plans & deferred Housing (2)	(-)	4,780 17,400 None	4,780 17,400	4,780 17,400 15,061 None 24,027 None	4,780 17,400 15,081 None 24,027 None 2,155 None	4,780 17,400 15,081 None 24,027 None 2,155 None 22,008 None	4,780 17,400 15,061 None 24,027 None 22,008 None 22,045 None	4,780 17,400 15,061 None 24,027 None 22,008 None 22,045 None 19,872 None	4,780 17,400 15,061 None 24,027 None 22,045 None 19,872 None	4,780 17,400 15,061 None 24,027 None 22,045 None 19,872 None 20,024 None None None
	4,780 17,400	_	None	None None	None None	None None	None None	None None None None None	None None None None None None None	None None None None None None
4,780										
4,7	15,0		24,0		2.2	2,1	2,1	22.0	2.7. 2.5.C 2.0.C 2	2, C 2, C 2, C 2, C 2, C 2, C 2, C 2, C
32 526	732	732		624	J=	152	152	152	462	152 462 015
208,436 211,526 6 514,732				в 85,624	450 152					
None		None	None	None	None		None	None None	None None	None None
		44,145	98,014	5,689	81,987		74,422	74,422	74.422 67.995 67.5624	4,422 7,995 5,624 None
Investment Program (1)	Program (12,	4,	86	ග්	8,		74.	74,	74,	7, 7, 7, 7, 7, 7, 7, 7, 7, 7, 7, 7, 7, 7
Donne (1)	119,210	36,477	163,999	37,500	114,326		40,550	40,550	40,550 43,698 59,558	40,550 43,698 59,558 Nane
	Wages 76,968	130,904	352,719	42,435	253,839		202,043	202,043	194.769	202,043 194,769 226,619
Title and average hours	per week devoted to position President & CEO 40 Hrs/Wk	Former President & CEO 40 Hrs/Wk Resigned during the fiscal year	EVP Operations 40 Hrs/Wk	EVP and Managing Partner 40 Hrs/Wk	General Counsel, Secretary	40 Hrs/Wk	40 Hrs/Wk Vice President, Treasurer 40 Hrs/Wk	40 Hrs/Wk Vice President, Treasurer 40 Hrs/Wk Chief of Staff 40 Hrs/Wk	40 Hrs/Wk Vice President, Treasurer 40 Hrs/Wk Chief of Staff 40 Hrs/Wk EVP Technology Transfer 40 Hrs/Wk	40 Hrs/Wk Vice President, Treasurer 40 Hrs/Wk 40 Hrs/Wk EVP Technology Transfer 40 Hrs/Wk EVP and Chief Scientist 40 Hrs/Wk
	Name and Address C Darby c'o in-G-Tel inc PO Box 749 Aflington, VA 22216	A Yoran c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	S Yancey c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	S Bowsher c/o In-O-Tel, Inc PO Box 749 Arlington, VA 22216	B Adams	20 Box 749 Arlington, VA 22216	Arington, VA 22216 Arington, VA 22216 A Surettman O Box 749, Inc O Box 749 Arington, VA 22216	Arington, VA 22216 Arington, VA 22216 Alington, VA 22216 O Box 749 Arington, VA 22216 E Poulos So In-Q-Tel, Inc O Box 749 Arington, VA 22216 Arington, VA 22218 Arington, VA 22218	Artington, VA 22216 Artington, VA 22216 Altington, VA 22216 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218 Altington, VA 22218	PO Box 749 Arington, VA 22216 M Strottman co In-Q-Tel, Inc PO Box 749 Arington, VA 22216 E Poulos co In-Q-Tel, Inc PO Box 749 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218

FORM 990, PART V-A, CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

IN-Q-TEL, INC

other allowances	(2)	62 None None		01 None None	None None	None None	None None	None None None	None None None	None None None None
Contributions to employee henefit plans & deferred	compensation (1)	23,062		22,101	22,101	22,101	22,101 21,180 2 B73 None	22,101 21,180 2 873 2 873 None	22,101 21,180 2 873 None None	22,101 21,180 2 873 None None
	1010	323,934		349,633	349,633	349,633 577,458 154,789	349,633 577,458 154,789 30,000	349,633 577,458 154,789 30,000 35,625	349,633 577,458 154,789 30,000 35,625	349,633 577,458 154,789 30,000 30,000 None
Trustee Fees (1)			None		None		e	e e	n n	o e
TINESCHILL .	_		67,995		84,410					
	Bonus (1)	56,526	64,675		155,950	155,950	-		-	-
	Wages	197,133	216,963	337,098		106,246	106,246 None	106,246 None	106,246 None None	106,246 None None
	per week devoted to position	Corporate Vice President 40 HrsVMx	VP, Customer Relations 40 Hrs/Wk	Former EVP	40 Hrs/Wk Resigned during the fiscal year	40 HrsWk Resigned during the fiscal year Former General Managing Partner 40 HrsWk Resigned during the fiscal year	40 HrsWik Resigned during the fiscal year Former General Managing Partner 40 HrsWik Resigned during the fiscal year Chairman of the Board of Trustees and Committee Chair Up to 150 Hrs/Quarter	A0 HrsVMk Resigned during the fiscal year Former General Managing Partner 40 HrsVMk Resigned during the fiscal year Chairman of the Board of Trustees and Committee Chair Up to 150 Hrs/Quarter Trustee Up to 150 Hrs/Quarter	A0 HrsVMk Resigned during the fiscal year Former General Managing Partner 40 HrsVMk Resigned during the fiscal year Chairman of the Board of Trustees and Committee Chair Up to 150 Hrs/Quarter Trustee Up to 150 Hrs/Quarter Up to 150 Hrs/Quarter Up to 150 Hrs/Quarter	A0 HrsVMk Resigned during the fiscal year Former General Managing Partner 40 HrsVMk Resigned during the fiscal year Chairman of the Board of Trustees and Committee Chair Up to 150 Hrs/Quarter Trustee Up to 150 Hrs/Quarter Up to 150 Hrs/Quarter Trustee Up to 150 Hrs/Quarter
	Name and Address	N Kaplan c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	K. vonEckartsberg c/o in-Q-Tel, inc PO Box 749 Arlington, VA 22216	J Dorman	c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216 M Frentz c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22218	co in-Q-Tei, inc PO Box 749 Arington, VA 22216 M Frentz co in-Q-Tei, inc PO Box 749 Arington, VA 22216 L Ault Co in-Q-Tei, inc PO Box 749 Arington, VA 22216 Arington, VA 22216 Arington, VA 22216 Arington, VA 22216	co in-Q-Tei, inc PO Box 749 Arington, VA 22216 M Frantz co in-Q-Tei, inc PO Box 749 Arington, VA 22216 L Ault Co in-Q-Tei, inc PO Box 749 Arington, VA 22216 P Kamnisku co in-Q-Tei, inc PO Box 749 Arington, VA 22216 Arington, VA 22216 Arington, VA 22216 Arington, VA 22216 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218 Arington, VA 22218	co in-Q-Tei, inc PO Box 749 Arfington, VA 22216 Arfington, VA 22218 Arfington, VA 22218 L Ault L Ault Co in-Q-Tei, inc PO Box 749 Arfington, VA 22218 P Kammsku co in-Q-Tei, inc PO Box 749 Arfington, VA 22218 N Augustine co in-Q-Tei, inc PO Box 749 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218 Arfington, VA 22218	co in-Q-Tei, inc PO Box 749 Arfington, VA 22216 Arfington, VA 22218 L Ault Co in-Q-Tei, inc PO Box 749 Arington, VA 22218 P Kammrsku Co in-Q-Tei, inc PO Box 749 Arington, VA 22218

STATEMENT 17 PAGE 3 OF 3

FORM 990, PART V.A, CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

IN-Q-TEL, INC

Wacea Bonne (1)
l _g
None
2,603,840 1,034,656

See Statement 4 & 5
 For Iwing expenses incurred in support of In-Q-Tet's operations and are considered taxable compensation

FORM 990, SCHEDULE A, PART I, COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES OTHER THAN OFFICERS, DIRECTORS, AND TRUSTEES

Name and Address	Title and average hours per week devoted t <u>o position</u>	Wages	Bonus (1)	Employee Investment Program (1)	Total	Contributions to employee benefit plans & deferred compensation (1)	Expense account and other allowances
Addiego, J c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	Partner 40 Hrs/Wk	229,453	58,699	83,710	371,862	21,571	None
Cottel, C. c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	Vice President 40 Hrs/Wk	221,420	60,434	67,995	349,849	15,925	None
Ulvick, S c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	Chief Visionary Solutions Architect 40 Hrs/Wk	170,933	35,417	74,666	281,016	22,148	None
McGovern, M c/o In-Q-Tel, Inc PO Box 749 Arlington, VA 22216	VP 40 Hrs/Wk	179,582	35,504	60,617	275,703	14,623	None
Graninger, M. c/o in-Q-Tel, Inc PO Box 749 Arlington, VA 22216	Principal 40 Hrs/Wk	164,718	31,308	78,343	274,369	20,456	None
	Total	966,106	221,362	365,331	1,552,799	94,723	None

IN-Q-TEL, INC. FOR THE TAX YEAR ENDED MARCH 31, 2007

FORM 990, PART V-A, LINE 75B

IN-Q-TEL HAS CONFLICTS OF INTEREST POLICIES WHICH (I) REQUIRE TRUSTEES AND EMPLOYEES TO DISCLOSE POSITIONS WITH AND FINANCIAL INTERESTS IN COMPANIES WITH WHICH IN-Q-TEL HAS ENTERED INTO OR IS CONSIDERING ENTERING INTO A TRANSACTION, AND (II) REQUIRE TRUSTEES AND EMPLOYEES GENERALLY TO RECUSE THEMSELVES FROM PARTICIPATING IN IN-Q-TEL'S DECISION-MAKING WITH RESPECT TO THE TRANSACTION, UNLESS OTHERWISE DETERMINED BY THE BOARD OR IN-Q-TEL'S CHIEF ETHICS OFFICER.

Form 8868

(Rev April 2007)

3.4

Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return

OMB No 1545-1709

		
 If you are in the property of the	filing for an Automatic 3-Month Extension, complete only Part I and check this box filing for an Additional (not automatic) 3-Month Extension, complete only Part II (or lete Part II unless you have already been granted an automatic 3-month extension on a part of Automatic 3-Month Extension of Time. Only submit original (no copies need)	n page 2 of this form) reviously filed Form 8868
Section 501(complete Pa	c) corporations required to file Form 990-T and requesting an automatic 6-month extens	
	porations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7 acome tax returns.	004 to request an extension of
one of the ref 8868 electron returns, or a	iling (e-file). Generally, you can electronically file Form 8868 if you want a 3-month aut turns noted below (6 months for section 501(c) corporations required to file Form 990-T) nically if (1) you want the additional (not automatic) 3-month extension or (2) you file Form composite or consolidated Form 990-T Instead, you must submit the fully completed and ore details on the electronic filing of this form, visit www irs gov/efile and click on e-file if	However, you cannot file Form as 990-BL, 6069, or 8870, group signed page 2 (Part II) of Form
Type or	Name of Exempt Organization	Employer identification number
print	IN-Q-TEL, INC.	52-2149962
File by the due date for filing your	Number, street, and room or suite no. If a P.O. box, see instructions P. O. BOX 749	
return See instructions	City, town or post office, state, and ZIP code For a foreign address, see instructions. ARLINGTON, VA 22216	
Check type	of return to be filed (file a separate application for each return)	
☑ Form 99	_ , , , ,	☐ Form 4720
☐ Form 99	=	☐ Form 5227
☐ Form 99	<u> </u>	☐ Form 6069 ☐ Form 8870
☐ Form aa	U-PF	☐ F01m 8670
Telephone If the orga If this is for the whole	s are in the care of ► THE ORGANIZATION e No ► 703-248-3000 FAX No. ► anization does not have an office or place of business in the United States, check this or a Group Return, enter the organization's four digit Group Exemption Number (GEN) the group, check this box i. ► ☐ If it is for part of the group, check this box the names and EINs of all members the extension will cover	box ▶ □
until 1	est an automatic 3-month (6 months for a section 501(c) corporation required to file $1000000000000000000000000000000000000$	
	calendar year 20 or	
▶ 🏻	tax year beginning APRIL 1 , 20 06 , and ending MA	RCH 31 , 20 07
2 If this	tax year is for less than 12 months, check reason. Initial return Final return	☐ Change in accounting period
	application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax ny nonrefundable credits. See instructions.	3a \$ N/A
	application is for Form 990-PF or 990-T, enter any refundable credits and estimated ta ents made. Include any prior year overpayment allowed as a credit.	x 3b \$ N/A
depos	ice Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required bit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payme m) See instructions.	
	you are going to make an electronic fund withdrawal with this Form 8868, see Form 84 at instructions.	
For Privacy	Act and Paperwork Reduction Act Notice, see Instructions.	Form 8868 (Rev 4-2007)

ISA

City or town, province or state, and country (including postal or ZIP code)

WASHINGTON, DC 20005-3333