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Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

2008**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

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

A For the 2008 calendar year, or tax year beginning September 1, 2008, and ending August 31, 2009**B Check if applicable**

- ☐ Address change
☐ Name change
☐ Initial return
☐ Termination
☐ Amended return
☐ Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization National Assoc of Insurance and Financial Advisors

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

Room/suite

2901 Telestar Court

City or town, state or country, and ZIP + 4

Falls Church, VA 22042

D Employer identification number

53 0232489

E Telephone number

(703) 770-8100

G Gross receipts \$ 14,495,052**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☒ No

If "No," attach a list (see instructions) N/A

H(c) Group exemption number ▶**I Tax-exempt status** ☒ 501(c) (6) (insert no) ☐ 4947(a)(1) or ☐ 527**J Website:** ▶ www.naifa.org**K Type of organization** ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L Year of formation** 1921**M State of legal domicile** DC**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	The mission of NAIFA is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of our members.	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	15
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15
	5	Total number of employees (Part V, line 2a)	5	71
	6	Total number of volunteers (estimate if necessary)	6	220
	Revenue	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a
b		Net unrelated business taxable income from Form 990-T, line 34	7b	(338,898)
8		Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
9		Program service revenue (Part VIII, column (A), lines 3, 4, and 7d)	1,144,727	720,586
Expenses	10	Investment income (Part VIII, column (A), lines 5, 6d, 8c, 9, 10c, and 11e)	10,918,992	11,705,394
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9, 10c, and 11e)	2,022,221	(97,538)
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,077,398	314,936
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	15,163,338	12,643,378
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	5,729,270	6,263,716
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶	0	0
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	8,893,621	7,032,032
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	14,622,891	13,295,748
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	540,447	(652,370)
	20	Total assets (Part X, line 16)	Beginning of Year	End of Year
	21	Total liabilities (Part X, line 26)	19,623,954	17,463,874
	22	Net assets or fund balances. Subtract line 21 from line 20	17,835,311	18,076,847

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here ▶ Paul C. Wesel 3-22-2010
Signature of officer Date

▶ PAUL C. WESSEL, Vice President Finance
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ _____ Date _____ Check if self-employed ☐ Preparer's identifying number (see instructions) _____

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ _____ EIN ▶ _____ Phone no ▶ () _____

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☒ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2008)

912-18

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SCANNED APR 20 2010

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:
The mission of NAIFA is to advocate for a positive legislative and regulatory environment, enhance business and professional skills, and promote the ethical conduct of our members.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

Support of state and local members - NAIFA provides programs which provide support to more than 700 state and local associations. As the national federation, NAIFA works to ensure "best practices" among its state and local association members and produces a newsletter to keep state and local associations informed of NAIFA initiatives. Through this program, NAIFA has worked to develop a strategic plan consisting of marketing, membership, education/professional development, member benefits and legislative targets.

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

Legislation, regulation and ethics - NAIFA promotes the position of its members on issues of insurance and financial services at both the federal and state level. NAIFA's efforts include coordination of lobbying efforts, grassroots programs, public relations and political education.

4c (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

Conventions - NAIFA hosts an annual conference for its members designed to disseminate the latest information affecting financial advisors and life and health insurance agents.

4d Other program services. (Describe in Schedule O.)
 (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ► \$ _____ (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		✓
2 Is the organization required to complete Schedule B, Schedule of Contributors?	✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	✓	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		✓
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		✓
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		✓
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	✓	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII		✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		✓
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		✓
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		✓
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		✓
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		✓
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		✓
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		✓
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		✓
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	✓	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25.		✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		✓
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		✓
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		✓
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		✓

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		✓
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		✓
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		✓
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	✓	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	✓	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		✓

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable.	1a	30
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	✓
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	71
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions).	2b	✓
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	✓
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	✓
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	✓
b	If "Yes," enter the name of the foreign country: _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	4b	
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	✓
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

	Yes	No
For each "Yes" response to lines 2–7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions		
1a Enter the number of voting members of the governing body	1a 15	
b Enter the number of voting members that are independent	1b 15	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	✓
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	✓
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	✓
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	✓
6 Does the organization have members or stockholders?	6 ✓	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a ✓	
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b ✓	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a The governing body?	8a ✓	
b Each committee with authority to act on behalf of the governing body?	8b ✓	
9a Does the organization have local chapters, branches, or affiliates? <u>Schedule O</u>	9a	✓
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10 ✓	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	✓

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a ✓	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b ✓	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c ✓	
13 Does the organization have a written whistleblower policy? <u>Schedule O</u>	13 ✓	
14 Does the organization have a written document retention and destruction policy? <u>Schedule O</u>	14 ✓	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
a The organization's CEO, Executive Director, or top management official?	15a ✓	
b Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	15b ✓	
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	✓
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed none

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: Paul C. Wessel, VP-Finance and Facilities, 2901 Telestar Court, Falls Church, VA 22042, 703-770-8100

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Kenneth R. Evans, CLU, ChFC, CFP, LUTCF Trustee	5	✓						0	0	0
Jules O. Gaudreau, Jr., ChFC, CIC Trustee	5	✓						0	0	0
Keith M. Gillies, CLU, ChFC, CFP Trustee	5	✓						0	0	0
Roger S. McCullough, CLU Trustee	5	✓						0	0	0
Juli Y. McNeely, LUTCF, CFP, CLU Trustee	5	✓						0	0	0
Robert A. Miller, M.S., M.A. Trustee	5	✓						0	0	0
John F. Nichols, CLU, DIA Trustee	5	✓						0	0	0
Robert O. Smith, CLU, ChFC, JD Trustee	5	✓						0	0	0
Russell A. Smith, CLU, ChFC, CFP, CSA Trustee	5	✓						0	0	0
Susan Diane Wier, CFP, ChFC, LUTCF Trustee	5	✓						0	0	0
Cliff F. Wilson, CLU, ChFC, LUTCF, CLF President	15	✓		✓				0	0	0
Thomas D. Currey, CLU, ChFC President Elect	10	✓		✓				0	0	0
Terry K. Headley, LUTCF, LIC, FSS Secretary	10	✓		✓				0	0	0
Peter C. Browne, LUTCF Treasurer	10	✓		✓				0	0	0
Jeffrey J. Taggart, CLU, ChFC, LUTCF Immediate Past President	10	✓		✓				0	0	0
Randy L. Scritchfield, CFP, LUTCF Assistant Treasurer	10	✓		✓				0	0	0
John J. Healy, CAE Chief Executive Officer	40			✓				466,839	0	24,986

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Susan B. Waters, EDM, CAE Deputy CEO	40			<input checked="" type="checkbox"/>				259,580	0	24,986
Paul C. Wessel (1/1/09-8/31/09) VP - Finance and Facilities	40			<input checked="" type="checkbox"/>				26,250	0	0
Steven Siesser (9/1/08-11/14/09) VP - Finance and HR	40			<input checked="" type="checkbox"/>				165,701	0	21,742
Michael E. Gerber, JD General Counsel & VP - Human Resources	40				<input checked="" type="checkbox"/>			173,292	0	18,124
William Anderson Sr. VP - State Government Relations	40					<input checked="" type="checkbox"/>		178,243	0	24,798
Michael Kerley Sr. VP - Federal Government Relations	40					<input checked="" type="checkbox"/>		176,949	0	16,111
Gary Sanders VP - State Government Relations	40					<input checked="" type="checkbox"/>		155,177	0	18,671
Roland Panneton Sr. Counsel - State Government Relations	40					<input checked="" type="checkbox"/>		150,697	0	15,112
Magenta Ishak Assistant VP - Political Affairs	40					<input checked="" type="checkbox"/>		132,007	0	19,334
1b Total								1,858,485		183,864

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **▶ 14**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		<input checked="" type="checkbox"/>
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	<input checked="" type="checkbox"/>	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person		<input checked="" type="checkbox"/>

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
Stephoe & Johnson	legal services	298,971

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization **▶ 1**

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	720,586				
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f			720,586			
Program Service Revenue		Business Code					
	2a Membership Dues	900099	9,999,894	9,999,894			
	b Conventions & Meetings	541800,900099	961,857	918,857	43,000		
	c Rent from affiliated orgs	531190	374,900	374,900			
	d Awards	900099	170,040	170,040			
	e Education/Prof. Development	900099	155,480	155,480			
	f All other program service revenue	900099	43,223	43,223			
	g Total. Add lines 2a-2f		11,705,394				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			113,194			113,194
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties			77,840	77,840		
		(i) Real	(ii) Personal				
	6a Gross Rents	138,491					
	b Less rental expenses	666,997					
	c Rental income or (loss)	(528,506)					
	d Net rental income or (loss)			(528,506)	(96,928)	(431,578)	
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		973,945					
	b Less cost or other basis and sales expenses	1,184,677					
	c Gain or (loss)	(210,732)					
	d Net gain or (loss)			(210,732)		(210,732)	
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
c Net income or (loss) from gaming activities							
10a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue		Business Code					
11a Service Fees	561000	438,238	438,238				
b Equity in earnings-wholly ovr	900099	(305,782)	(305,782)				
c Rent/royalties-wholly-owned s	531190,900003	271,262			271,262		
d All other revenue	541800,900099	361,884	135,669	226,215			
e Total. Add lines 11a-11d		765,602					
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			12,643,378	11,911,431	(162,363)	173,724	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,110,498			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,001,395			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	352,999			
9 Other employee benefits	467,337			
10 Payroll taxes	331,577			
11 Fees for services (non-employees).				
a Management				
b Legal	2,197			
c Accounting	66,559			
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	21,456			
g Other	1,003,537			
12 Advertising and promotion	171,517			
13 Office expenses	1,079,539			
14 Information technology	402,505			
15 Royalties	38,750			
16 Occupancy	951,239			
17 Travel	678,341			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,482,398			
20 Interest	350			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	473,476			
23 Insurance	133,978			
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Temporary Labor	36,566			
b Dues & Subscriptions	594,480			
c Miscellaneous	72,498			
d Overhead building cost allocable to				
e rental income	(177,354)			
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	13,295,748			
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	35,344	1	175,190
	2 Savings and temporary cash investments	2,218,303	2	825,695
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	301,841	4	181,173
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	752,694	9	731,798
	10a Land, buildings, and equipment: cost basis	10a 17,986,150		
	b Less accumulated depreciation. Complete Part VI of Schedule D	10b 4,904,736	13,445,234	10c 13,081,414
	11 Investments—publicly traded securities	2,528,540	11	2,232,051
	12 Investments—other securities. See Part IV, line 11	67,750	12	(8,919)
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	274,248	15	245,472
16 Total assets. Add lines 1 through 15 (must equal line 34)	19,623,954	16	17,463,874	
Liabilities	17 Accounts payable and accrued expenses	1,317,164	17	1,047,587
	18 Grants payable		18	
	19 Deferred revenue	4,853,352	19	4,175,531
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	10,616,032	23	10,361,334
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	1,048,763	25	2,492,395
	26 Total liabilities. Add lines 17 through 25	17,835,311	26	18,076,847
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1,788,643	27	(612,973)
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	1,788,643	33	(612,973)
	34 Total liabilities and net assets/fund balances	19,623,954	34	17,463,874

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	✓
b Were the organization's financial statements audited by an independent accountant? <i>Schedule D</i>	2b	✓
c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	✓
b If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

2008

Open to Public Inspection

For Organizations Exempt From Income Tax Under section 501(c) and section 527

Department of the Treasury
Internal Revenue Service

► To be completed by organizations described below.
► Attach to Form 990 or Form 990-EZ

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of organization

Employer identification number

National Association of Insurance and Financial Advisor

53

0232489

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.
See the instructions for Schedule C for details.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2 Political expenditures ► \$ 0
- 3 Volunteer hours 0

Part I-B To be completed by all organizations exempt under section 501(c)(3).
See the instructions for Schedule C for details.

N/A

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ► \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ► \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3).
See the instructions for Schedule C for details

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► \$ 0
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$ 0
- 3 Total of direct and indirect exempt function expenditures Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b ► \$ 0
- 4 Did the filing organization file Form 1120-POL for this year? ☐ Yes ☒ No
- 5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
NAIFA PAC	2901 Telestar Court, Falls Church, VA 22042	52-0899774	10,000	4,042

Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details. N/AA Check ☐ if the filing organization belongs to an affiliated group.B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount Enter the amount from the following table in both columns			
If the amount on line 1e, column (a) or (b) is	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
g Grassroots nontaxable amount (enter 25% of line 1f)			
h Subtract line 1g from line 1a Enter -0- if line g is more than line a			
i Subtract line 1f from line 1c Enter -0- if line f is more than line c			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?			

☐ Yes ☐ No**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details **21A**

	(a)		(b)
	Yes	No	Amount
1 During the year did the filing organization attempt to influence foreign, national, state or local legislation including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?			
i Other activities? If "Yes," describe in Part IV			
j Total lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). See the instructions for Schedule C for details

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?		✓
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		✓
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	✓	

Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." See Schedule C instructions for details

1 Dues assessments and similar amounts from members	1	9,999,894
2 Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	2,485,353
b Carryover from last year	2b	(106,322)
c Total	2c	2,379,031
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	2,440,526
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5	(61,495)

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i. Also, complete this part for any additional information.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Attach to Form 990 To be completed by organizations that
answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

National Association of Insurance and Financial Advisors

Employer identification number

53

0232489

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if
the organization answered "Yes" to Form 990, Part IV, line 6 **N/A**

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7. **N/A**

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8. **N/A**

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items.

(i) Revenues included in Form 990, Part VIII, line 1	► \$
(ii) Assets included in Form 990, Part X	► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1	► \$
b Assets included in Form 990, Part X	► \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a ☐ Public exhibition d ☐ Loan or exchange programs
- b ☐ Scholarly research e ☐ Other
- c ☐ Preservation for future generations
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV
- 5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990 Part IV, line 9, or reported an amount on Form 990, Part X, line 21 N/A

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No
- b If "Yes," explain the arrangement in Part XIV and complete the following table
- | | Amount |
|----------------------------------|--------|
| 1c Beginning balance | |
| 1d Additions during the year | |
| 1e Distributions during the year | |
| 1f Ending balance | |
- 2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No
- b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10 N/A

- | | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Investment earnings or losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |
- 2 Provide the estimated percentage of the year end balance held as
- a Board designated or quasi-endowment ▶ %
- b Permanent endowment ▶ %
- c Term endowment ▶ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | Yes | No |
|-----------------------------|-----|----|
| (i) unrelated organizations | | |
| (ii) related organizations | | |
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 3b
- 4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		1,550,825		1,550,825
b Buildings		14,132,766	3,289,771	10,842,995
c Leasehold improvements		375,405	84,039	291,366
d Equipment		1,403,836	1,107,284	296,552
e Other		523,318	423,642	99,676
Total. Add lines 1a–1e (Column (d) should equal Form 990, Part X, column (B), line 10(c))				13,081,414

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	12,643,378
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	13,295,748
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	(652,370)
4	Net unrealized gains (losses) on investments	4	(132,101)
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	34,287
9	Total adjustments (net) Add lines 4-8	9	(97,814)
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	(750,184)

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	16,233,904
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	(132,101)
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	3,360,283
e	Add lines 2a through 2d	2e	3,228,182
3	Subtract line 2e from line 1	3	13,005,722
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	(362,344)
c	Add lines 4a and 4b	4c	(362,344)
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	12,643,378

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	16,984,088
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	4,298,775
e	Add lines 2a through 2d	2e	4,298,775
3	Subtract line 2e from line 1	3	12,685,313
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	610,435
c	Add lines 4a and 4b	4c	610,435
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	13,295,748

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, Part XI, line 8; Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Part XI, Line 8 - NAIFA issues consolidated audited financial statements. This amount

represents revenue of the other entities included in those consolidated

financial statements

\$3,360,283

This amount represents expense of the other entities included in those

consolidated financial statements

(\$3,631,778)

Equity in the earnings of subsidiary - reported "below the line" on the

financial statements and eliminated in the preparation of the audited

Part XIV Supplemental Information (continued)

consolidated financial statements \$305,782

TOTAL PART XI, LINE 8 \$34,287

Part XII, Line 2d - NAIFA issues consolidated audited financial statements This amount

represents revenue of the other entities included in those consolidated

financial statements \$3,360,283

Part XII, Line 4b - Revenue of NAIFA and other entities eliminated in the preparation of the

audited consolidated financial statements \$610,435

Rental expenses reported on Part VIII, Line 6b of the Form 990 (netted

with rental revenue) (\$666,997)

Equity in the earnings of subsidiary - reported "below the line" on the

financial statements and eliminated in the preparation of the audited

consolidated financial statements (\$305,782)

TOTAL PART XII, LINE 4B (\$362,344)

Part XIII, Line 2d - NAIFA issues consolidated audited financial statements This amount

represents expense of the other entities included in those consolidated

financial statements \$3,631,778

Rental expenses reported on Part VIII, Line 6b of the Form 990 (netted

with rental revenue) \$666,997

TOTAL PART XIII, LINE 2D \$4,298,775

Part XIII, Line 4b - Expenses of NAIFA and other entities eliminated in the preparation

of the audited consolidated financial statements. \$610,435

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

National Association of Insurance and Financial Advisors

Employer identification number

53

0232489

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items <input type="checkbox"/> First-class or charter travel <input checked="" type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	✓
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	✓
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply <input type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations <input checked="" type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a		
a Receive a severance payment or change of control payment?	4a	✓
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	✓
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	✓
If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III		
Only 501(c)(3) and 501(c)(4) organizations must complete lines 5–8.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	
b Any related organization?	5b	
If "Yes" to line 5a or 5b, describe in Part III.		
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	
b Any related organization?	6b	
If "Yes" to line 6a or 6b, describe in Part III.		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
John J. Healy, CAE	(i) 466,839			20,500	4,486	491,825	
Susan B. Waters, EDM, CAE	(i) 257,080	2,500		20,500	4,486	284,566	
Steven Siesser	(i) 161,601	4,100		17,739	4,003	187,443	
Michael Gerber	(i) 169,192	4,100		15,500	2,624	191,416	
William Anderson	(i) 174,143	4,100		20,500	4,298	203,041	
Michael Kerley	(i) 172,849	4,100		10,373	5,738	193,060	
Gary Sanders	(i) 152,977	2,200		14,613	4,058	173,848	
Roland Panneton	(i) 149,197	1,500		9,415	5,697	165,809	
Magenta Ishak	(i) 129,807	2,200		15,500	3,834	151,341	
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

NAIFA reimburses its Board members for spouse travel to certain events. This travel expense is treated as taxable income to the Board members.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990 To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

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Inspection**

Name of the organization

National Association of Insurance and Financial Advisors

Employer identification number

53

0232489

Form 990, Part VI, Line 6 - NAIFA members in the active and associate classes have the right to participate in the organization's governance. Active members are insurance and financial advisors licensed to sell life, health and/or property-casualty insurance. Active members are entitled to vote for and seek election or appointment as members of the NAIFA National Council. Active members who are members of the National Council, which includes members of the NAIFA Board of Trustees, past NAIFA Presidents, past elected NAIFA Trustees (for five years after their Board service), Presidents and National Committeepersons of NAIFA's state and local associations (or their alternates), and chairs of NAIFA affiliated units and standing committees, elect the NAIFA Board, vote on proposed amendments to the NAIFA Bylaws, and review decisions of the NAIFA Board that are referred to the National Council. Associate members are individuals affiliated with the home or agency office of a life insurance company or with a profession or other business related to life insurance. Associate members are entitled to vote for NAIFA local association Presidents (and in some cases NAIFA local association National Committeeperson) who serve as members of the NAIFA National Council.

Form 990, Part VI, Line 7a - The NAIFA National Council annually elects the officers and trustees of the NAIFA Board of Trustees (trustees are elected for two-year terms). The members of the NAIFA National Council, each of whom has one vote, is comprised of the NAIFA Board, past NAIFA presidents, past elected NAIFA trustees (for five years after their Board service), presidents and national committeepersons of NAIFA's state and local associations (or their alternates), and chairs of NAIFA affiliated units and standing committees.

Form 990, Part VI, Line 7b - Decisions of the NAIFA Board of Trustees are referred to the NAIFA National Council for final determination if the NAIFA Secretary receives a timely petition signed by a majority of NAIFA's state association presidents, which requests that the Board decision be referred to the National Council. The members of the NAIFA National Council, each of whom has one vote, is comprised of the NAIFA Board, past NAIFA presidents, past elected NAIFA trustees (for five years after their Board service), presidents and national committeepersons of NAIFA's state and local associations (or their alternates), and chairs of NAIFA affiliated units and standing committees. In addition, amendments to the NAIFA Bylaws made by the NAIFA Board of Trustees must be timely ratified in writing by two-thirds of the NAIFA state association presidents and national committeepersons.

Name of the organization

Employer identification number

National Association of Insurance and Financial Advisors

53

0232489

Form 990, Part VI, Line 9 - NAIFA is a federation of state, local and at-large member associations, with individual members at the national, state and local (or at-large) levels. State, local and at-large associations elected to NAIFA membership agree to be bound by NAIFA's bylaws, to adopt the standard form for association bylaws, and to comply with the accepted standards for members associations. However, state, local and at-large associations elected to NAIFA membership are separate legal entities from NAIFA and NAIFA does not have legal authority to exercise supervision and control over its member associations.

Form 990, Part VI, Line 10 - NAIFA's Form 990 is reviewed by the VP-Finance & Facilities, as well as the General Counsel/VP-Human Resources. An external review is also done by NAIFA's auditors. Approximately 45 days prior to the filing date, the members of the Finance Committee are sent an electronic copy of the Form 990 for individual review. If discussion between the Finance Committee members is needed, they participate in a conference call. Prior to filing, a final version of the return is distributed to the members of the NAIFA Board at an in-person meeting.

Form 990, Part VI, Line 12c - The NAIFA Conflict of Interest Policy and Disclosure Form, which covers the NAIFA Board of Trustees, is explained and distributed to the NAIFA Board annually at its first meeting and the disclosure form is completed by the Board members at that time. The NAIFA conflict of interest policy is also distributed to Board members throughout the year by inclusion with the materials distributed for each NAIFA Board meeting and Board members are reminded of the policy at the beginning of each Board meeting. NAIFA Board members have a continuing obligation to promptly disclose to the Board if a potential, apparent, or actual conflict of interest arises and, if required, to remove himself/herself from NAIFA Board discussions and decisions concerning the matter and to take such other actions as may be called for by the Board. It is the NAIFA Board's obligation to consider each matter brought to its attention under the conflict of interest policy and to advise the Board member involved as to the appropriate action. NAIFA Board members may submit questions regarding the conflict of interest policy to NAIFA's general counsel.

The conflict of interest policy contained in the NAIFA Employee Handbook covers all NAIFA employees and requires employees to immediately notify their supervisor of a potential conflict of interest. NAIFA management reserves the right to prohibit any activity that may constitute a conflict of interest and employees who participate in practices that constitute a prohibited conflict of interest are subject to disciplinary action.

Name of the organization

Employer identification number

National Association of Insurance and Financial Advisors

53

0232489

Form 990, Part VI, Line 13 - NAIFA's whistleblower policy does not extend to volunteers

Form 990, Part VI, Line 14 - NAIFA's finance department maintains a Records Retention schedule in the accounting policies and procedures manual. The schedule/policy does not extend to volunteers.

Form 990, Part VI, Line 15 - The compensation of the NAIFA CEO was determined by a NAIFA CEO Negotiation Committee in 2007 and was approved by the NAIFA Executive Committee, which was authorized to exercise the powers of the NAIFA Board of Trustees. The CEO Negotiation Committee was provided with data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations and determined the CEO's compensation through negotiation with the CEO. NAIFA maintains contemporaneous documentation and recordkeeping with respect to deliberations and decisions regarding the compensation arrangement. The process for determining the compensation for NAIFA staff officers and key employees varies and has included the use of comparability data, negotiations with prospective employees, and annual adjustments tied to performance evaluations. The NAIFA Board of Trustees approves such compensation as part of its approval of NAIFA's annual budget, upon a recommendation from the NAIFA Finance Committee, and minutes are taken of those decisions.

Form 990, Part VI, Line 19 - Requests for financial statements and governing documents will be considered and may be made available upon review of the request.

Form 990, Part XI, Lines 2b & 2c - In accordance with the official IRS instructions, these questions have been answered "no" as NAIFA does not present (and is not allowed to present under accounting standards generally accepted in the United States of America), stand alone audited financial statements. NAIFA does have an audit committee who approves the independent public accounting firm and reviews and approves the audited financial statements.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No. 1545-0047

2008

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Employer identification number
53 : 0232489

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity

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

Cat. No. 50132Y

Schedule R (Form 990) 2008

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1)	NAIFA Service Corporation	a(iii)	98,470
(2)	NAIFA Service Corporation	b	229,114
(3)	NAIFA Service Corporation	i	116,892
(4)	NAIFA Service Corporation	m	55,900
(5)	NAIFA Service Corporation	n	692,723
(6)	NAIFA Service Corporation	p	308,260

