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Form 990

## Return of Organization Exempt From Income Tax

OMB No 1545-0047

2009

Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue ServiceUnder 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 2009 calendar year, or tax year beginning

12/01, 2009, and ending

11/30, 2010

<b>B</b> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization ILLINOIS FAIR PLAN ASSOCIATION Doing Business As Number and street (or P O box if mail is not delivered to street address) 130 EAST RANDOLPH Room/suite City or town, state or country, and ZIP + 4 CHICAGO, IL 60601			<b>D</b> Employer identification number 36-2688813	
	<b>E</b> Telephone number (312) 861-0385				
	<b>F</b> Name and address of principal officer SAME AS C ABOVE			<b>G</b> Gross receipts \$ 5,497,799.	
				<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
				<b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
				If "No," attach a list (see instructions)	
				<b>H(c)</b> Group exemption number ►	

I Tax-exempt status X 501(c)(6) (insert no) 4947(a)(1) or 527

J Website ► WWW.ILLINOISFAIRPLAN.COM

K Form of organization Corporation Trust X Association Other ► L Year of formation 1968 M State of legal domicile IL

## Part I Summary

<b>Activities &amp; Governance</b>	1 Briefly describe the organization's mission or most significant activities TO PROVIDE BASIC AND AFFORDABLE PROPERTY INSURANCE TO APPLICANTS IN THE STATE OF ILLINOIS WHO ARE UNABLE TO PURCHASE COVERAGE THROUGH THE STANDARD INSURANCE MARKET FOR REASONS BEYOND THEIR CONTROL.		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a) . . . . .	3	10
	4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	4	10
	5 Total number of employees (Part V, line 2a) . . . . .	5	16
	6 Total number of volunteers (estimate if necessary) . . . . .	6	
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12 . . . . .	7a	119,644.
b Net unrelated business taxable income from Form 990-T, line 34 . . . . .	7b	-14,269.	

<b>Revenue</b>	8 Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g) . . . . .	0.	0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	5,188,005.	5,341,240.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .	8,079.	4,373.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	237,498.	152,186.
		5,433,582.	5,497,799.

<b>Expenses</b>	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	Prior Year	Current Year
	14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	25,500.	20,000.
	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) . . . . .	2,172,278.	2,130,060.
	b Total fundraising expenses, Part IX, column (D), line 25) ► . . . . .	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . . .	3,707,359.	5,921,292.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) . . . . .	5,905,137.	8,071,352.
19 Revenue less expenses Subtract line 18 from line 12 . . . . .	-471,555.	-2,573,553.	

<b>Net Assets or Fund Balances</b>	20 Total assets (Part X, line 16) . . . . .	Beginning of Year	End of Year
	21 Total liabilities (Part X, line 26) . . . . .	5,246,645.	4,529,554.
	22 Net assets or fund balances Subtract line 21 from line 20 . . . . .	8,631,239.	9,442,604.
		-3,384,594.	-4,913,050.

## Part II Signature Block

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge		
	Signature of officer	10/4/11	
	Type or print name and title		

<b>Paid Preparer's Use Only</b>	Preparer's signature ► <i>Rodell J. Jinchio</i>	Date 09/21/2011	Check if self-employed ► <input type="checkbox"/>	Preparer's identifying number (see instructions) P00965995
	Firm's name (or yours if self-employed, address, and ZIP + 4) ► ERNST & YOUNG U.S. LLP 155 NORTH WACKER DRIVE CHICAGO, IL 60606	EIN ►	34-6565596	Phone no ► 312-879-2000

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

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

Form 990 (2009)

JSA

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**Part III Statement of Program Service Accomplishments****1** Briefly describe the organization's mission

TO PROVIDE BASIC AND AFFORDABLE PROPERTY INSURANCE TO APPLICANTS IN  
THE STATE OF ILLINOIS WHO ARE UNABLE TO PURCHASE COVERAGE THROUGH THE  
STANDARD INSURANCE MARKET FOR REASONS BEYOND THEIR CONTROL.

**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 \$ \_\_\_\_\_)

UNDER ILLINOIS STATE STATUTE, THE ASSOCIATION PROVIDES FIRE,  
HOMEOWNER'S, EXTENDED COVERAGE, VANDALISM, AND MALICIOUS MISCHIEF  
INSURANCE FOR STATE RESIDENTS WHO HAVE BEEN UNABLE TO OBTAIN THESE  
TYPES OF INSURANCE COVERAGES IN THE VOLUNTARY INSURANCE MARKET.

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

**4c** (Code. \_\_\_\_\_) (Expenses \$ \_\_\_\_\_) including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4d** Other program services (Describe in Schedule O)

(Expenses \$ \_\_\_\_\_) including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4e** Total program service expenses ►

**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 . . . . .	1	X
2	Is the organization required to complete Schedule B, Schedule of Contributors? . . . . .	2	X
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 . . . . .	3	X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II . . . . .	4	
5	<b>Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III . . . . .	5	X
6	Did the organization maintain any donor advised funds or any similar funds or 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 . . . . .	6	X
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 . . . . .	7	X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .	8	X
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 . . . . .	9	X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .	10	X
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable . . . . .	11	X
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		
	• Did the organization report an amount for investments—other-securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X		
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII. . . . .	12	X
12A	Was the organization included in consolidated, independent audited financial statement for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional . . . . .	12A	X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E. . . . .	13	X
14a	Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	14a	X
14b	b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I . . . . .	14b	X
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 . . . . .	15	X
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 . . . . .	16	X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I . . . . .	17	X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .	18	X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .	19	X
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H . . . . .	20	X

## Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II. . . . .	21	X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III. . . . .	22	X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .	23	X
24 a	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 lines 24b through 24d and complete Schedule K If "No," go to question 25 . . . . .	24a	X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	24b	
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? . . . . .	24c	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	24d	
25 a	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 . . . . .	25a	
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .	25b	
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 . .	26	X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III . . . . .	27	X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a	X
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV. . . . .	28b	X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV. . . . .	28c	X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV . . . . .	29	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .	30	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .	31	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .	32	X
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	X
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	X
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	X
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	
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	X
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 . . . . .	38	X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O . . . . .		

## 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 220	
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 X	
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 16	
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 X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	3a X	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	3b X	
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 X	
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		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	5a X	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .	5b X	
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 X	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? . . . . .	6a X	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	6b X	
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	7a X	
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	7b X	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	7c X	
d If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	7d X	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	7e X	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	7f X	
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	7g X	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .	7h X	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .	8 X	
9 Sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966? . . . . .	9a X	
b Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	9b X	
10 Section 501(c)(7) organizations. Enter		
a Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	10a X	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .	10b X	
11 Section 501(c)(12) organizations. Enter		
a Gross income from members or shareholders . . . . .	11a X	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .	11b X	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? . . . . .	12a X	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .	12b X	

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

### Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body	10	
1b	Enter the number of voting members that are independent	10	
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?		X
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?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?	X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, 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		X

### Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	X	
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?		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11a	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
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	X	
b	Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)		
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?	X	
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 ►

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 ► JOSEPH A. HATHAWAY 130 EAST RANDOLPH ST., CHICAGO, IL 60601  
312-861-0385

**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. Report compensation for the calendar year ending with or within the organization's tax year. 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. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's current key employees. See instructions for definition of "key employee".
- 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 current officer, director, or trustee.

(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 person	Former			
CHARLES M. HILL										
GOVERNING MEMBER	1.00	X		X				3,200.	0	0.
DAVID J. QUEIOR										
GOVERNING MEMBER	1.00	X						3,600.	0	0.
EMIL R. JOHNSON										
GOVERNING MEMBER	1.00	X						2,200.	0	0.
STEVEN TIPPINS										
GOVERNING MEMBER	1.00	X						2,600.	0	0.
REBECCA KORACH										
GOVERNING MEMBER	1.00	X						1,200.	0	0.
ROGER KELLER										
GOVERNING MEMBER	1.00	X						0.	0	0.
FREDERICK M. STRAUSS										
GOVERNING MEMBER	1.00	X	X					0.	0	0.
SUSAN SIBBERNSEN										
GOVERNING MEMBER	1.00	X	X					0.	0	0.
BARRY ZALCMAN										
GOVERNING MEMBER	1.00	X						0.	0	0.
RON DELONG										
GOVERNING MEMBER	1.00	X						0.	0	0.
DOUGLAS JENSEN										
PRESIDENT	37.50			X	X			184,638.	0	41,518.
NARDA AGUILERA										
MIS MANAGER	37.50					X		130,506.	0	32,928.
GORDON BALSANO										
CLAIMS MANAGER	37.50					X		114,413.	0	30,752.
JOSEPH HATHAWAY										
FINANCE OPERATIONS MANAGER	37.50					X		110,446.	0	33,752.

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

**1b Total** . . . . . ► 552,803. 0 138,950.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization ► 4

	Yes	No
3		X
4	X	
5		X

## 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

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► 0

## Part VIII Statement of Revenue

36-2688813

		(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				
	g Noncash contributions included in lines 1a-1f . . . . .					
<b>h Total. Add lines 1a-1f . . . . .</b>		0				
Program Service Revenue		<b>Business Code</b>				
	2a INSURANCE PREMIUMS	524126	5,341,240	5,341,240		
	b					
	c					
	d					
	e					
	f All other program service revenue . . . . .					
<b>g Total. Add lines 2a-2f . . . . .</b>		5,341,240				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) . . . . .	ATTACHMENT 2	4,373	4,373		
	4 Income from investment of tax-exempt bond proceeds . . . . .		0			
	5 Royalties . . . . .		0			
	b	(i) Real	(ii) Personal			
	c					
	d					
	e					
6a Gross Rents. . . . .						
b Less rental expenses . . . . .						
c Rental income or (loss) . . . . .						
d Net rental income or (loss) . . . . .		0				
7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
b Less cost or other basis and sales expenses . . . . .						
c Gain or (loss) . . . . .						
d Net gain or (loss) . . . . .		0				
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 . . . . .		0				
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 . . . . .		0				
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 . . . . .		0				
<b>Miscellaneous Revenue</b>	<b>Business Code</b>					
11a SERVICE FEE INCOME	524126	119,644		119,644		
b INSTALLMENT PLAN CHARGES	524126	31,219	31,219			
c CEDING COMMISSIONS	524126	2,778	2,778			
d All other revenue . . . . .	524126	-1,455	-1,455			
<b>e Total. Add lines 11a-11d . . . . .</b>		152,186				
<b>12 Total Revenue. See instructions . . . . .</b>		5,497,799	5,378,155	119,644		

**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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(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 . . . . .	20,000.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	0.			
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	190,199.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0.			
7 Other salaries and wages . . . . .	1,073,511.			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	396,203.			
9 Other employee benefits . . . . .	378,479.			
10 Payroll taxes . . . . .	91,668.			
11 Fees for services (non-employees)				
a Management . . . . .	0.			
b Legal . . . . .	5,650.			
c Accounting . . . . .	40,500.			
d Lobbying . . . . .	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees . . . . .	0.			
g Other . . . . .	10,610.			
12 Advertising and promotion . . . . .	0.			
13 Office expenses . . . . .	122,511.			
14 Information technology . . . . .	0.			
15 Royalties. . . . .	0.			
16 Occupancy . . . . .	322,584.			
17 Travel . . . . .	28,758.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings . . . . .	0.			
20 Interest . . . . .	0.			
21 Payments to affiliates . . . . .	0.			
22 Depreciation, depletion, and amortization . . . . .	44,165.			
23 Insurance . . . . .	0.			
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 LOSS AND LOSS ADJUSTMENT EXP . . . . .	4,574,867.			
b COMMISSIONS . . . . .	521,200.			
c INSPECTIONS AND REPORTS . . . . .	76,177.			
d INSURANCE . . . . .	59,533.			
e MEMBER DUES & SUBSCRIPTION . . . . .	29,341.			
f All other expenses . . . . .	85,396.			
25 Total functional expenses. Add lines 1 through 24f	8,071,352.			
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 . . . . .	815,795.	1 1,242,813.
	2 Savings and temporary cash investments . . . . .	2,200,000.	2 1,150,000.
	3 Pledges and grants receivable, net . . . . .		3
	4 Accounts receivable, net . . . . .	970,925.	4 963,153.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees 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 . . . . .		9
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	
	b Less accumulated depreciation . . . . .	10b	10c
	11 Investments - publicly traded securities . . . . . ATCH 3 . . . . .	1,200,000.	11 700,000.
	12 Investments - other securities See Part IV, line 11 . . . . .		12
	13 Investments - program-related See Part IV, line 11 . . . . .		13
	14 Intangible assets . . . . .		14
	15 Other assets See Part IV, line 11 . . . . .	59,925.	15 473,588.
	16 Total assets. Add lines 1 through 15 (must equal line 34) . . . . .	5,246,645.	16 4,529,554.
Liabilities	17 Accounts payable and accrued expenses . . . . .	326,108.	17 357,965.
	18 Grants payable . . . . .		18
	19 Deferred revenue . . . . .		19
	20 Tax-exempt bond liabilities . . . . .		20
	21 Escrow or custodial 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 . . . . .		23
	24 Unsecured notes and loans payable to unrelated third parties . . . . .		24
	25 Other liabilities Complete Part X of Schedule D . . . . .	8,305,131.	25 9,084,639.
	26 Total liabilities. Add lines 17 through 25 . . . . .	8,631,239.	26 9,442,604.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets . . . . .		27
	28 Temporarily restricted net assets . . . . .		28
	29 Permanently restricted net assets . . . . .		29
	Organizations that do not follow SFAS 117, check here ► <input checked="" 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 . . . . .	-3,384,594.	32 -4,913,050.
	33 Total net assets or fund balances . . . . .	-3,384,594.	33 -4,913,050.
	34 Total liabilities and net assets/fund balances . . . . .	5,246,645.	34 4,529,554.

Form 990 (2009)

**Part XI Financial Statements and Reporting**

	Yes	No		
1 Accounting method used to prepare the Form 990	<input type="checkbox"/> Cash	<input type="checkbox"/> Accrual	<input checked="" type="checkbox"/> Other <u>STATUTORY</u>	
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O				
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X
2b Were the organization's financial statements audited by an independent accountant? . . . . .	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	X
2c If "Yes" to line 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? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	X
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O				
2d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both	<input checked="" type="checkbox"/> Separate basis	<input type="checkbox"/> Consolidated basis	<input type="checkbox"/> Both consolidated and separate basis	
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? . . . . .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X

Form 990 (2009)

**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**

OMB No 1545-0047

**2009**Open to Public  
Inspection

Name of the organization

ILLINOIS FAIR PLAN ASSOCIATION

Employer identification number

36-2688813

**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

	(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? .....	<input type="checkbox"/>	Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....	<input type="checkbox"/>	Yes <input type="checkbox"/> No

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

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 a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year	
a Total number of conservation easements .....	<b>Held at the End of the Year</b>
2a	
2b	
2c	
2d	
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcement of the conservation easements it holds? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► _____	
7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 170(h)(4)(B)(ii)? .....	<input type="checkbox"/> Yes <input type="checkbox"/> 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

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 .....

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

Schedule D (Form 990) 2009

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a <input type="checkbox"/>	Public exhibition	d <input type="checkbox"/>	Loan or exchange programs
b <input type="checkbox"/>	Scholarly research	e <input type="checkbox"/>	Other _____
c <input type="checkbox"/>	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 Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

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 XI V and complete the following table

Amount	
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XI V

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

	(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 Net investment earnings, gains, and 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
3a(i)	
3a(ii)	
3b	

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

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) Accumulated depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .				
d Equipment . . . . .				
e Other . . . . .				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . . . ►

**Part VII Investments - Other Securities. See Form 990, Part X, line 12.**

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives . . . . .		
Closely-held equity interests . . . . .		
Other _____		

Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ►

**Part VIII Investments - Program Related. See Form 990, Part X, line 13**

Total (Column (b) must equal Form 990, Part X, col (B) line 13) ►

**Part IX Other Assets. See Form 990, Part X, line 15**

**Total (Column (b) must equal Form 990, Part X, col (B) line 15) . . . . .** ► **473,588.**

**Part X Other Liabilities. See Form 990, Part X, line 25**

1. (a) Description of liability	(b) Amount
Federal income taxes	
LOSSES AND LOSS ADJUSTMENT EXP	2,057,169.
UNEARNED PREMIUMS	2,888,808.
MEMBER ASSESS. REFUND PAYABLE	0.
ACCRUED PENSION AND PBO	3,585,420.
COMMISSIONS PAYABLE	31,441.
ADVANCE PREMIUMS	97,307.
OTHER LIABILITIES	424,494.
<b>Total. (Column (b) must equal Form 990, Part X, col. (B) line 25)</b>	<b>9,084,639.</b>

**Total. (Column (b) must equal Form 990, Part X, col. (B) line 25) ► 9,084,639.**

2. FIN 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

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

1	Total revenue (Form 990, Part VIII, column (A), line 12) . . . . .	1	
2	Total expenses (Form 990, Part IX, column (A), line 25) . . . . .	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1 . . . . .	3	
4	Net unrealized gains (losses) on investments . . . . .	4	
5	Donated services and use of facilities . . . . .	5	
6	Investment expenses . . . . .	6	
7	Prior period adjustments . . . . .	7	
8	Other (Describe in Part XIV) . . . . .	8	
9	Total adjustments (net) Add lines 4 through 8 . . . . .	9	
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9 . . . . .	10	

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	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	4	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	

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

1	Total expenses and losses per audited financial statements	1	
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	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1	4a	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	

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, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

**Part XIV Supplemental Information (continued)**



**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

Part IV **Supplemental Information** Complete this part to provide the information required in Part I, line 2 and supplemental information.

PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

SCHEDULE I, PART I, LINE 2

ALL AMOUNTS GRANTED BY THE ILLINOIS FAIR PLAN ARE APPROVED BY THE FINANCE AND AUDIT COMMITTEE AND GOVERNING COMMITTEE AS PART OF THE BUDGET PROCESS AND THE ASSOCIATION CONFIRMS THE ORGANIZATIONS ARE MEETING THEIR STATED PURPOSE THROUGH DIRECT PARTICIPATION IN ORGANIZATION MEETINGS/ACTIVITIES OR THROUGH ACTIVITY REPORTS ISSUED BY THE ORGANIZATIONS THE EMPLOYER IDENTIFICATION NUMBER IS OBTAINED FROM EACH ORGANIZATION A GRANT IS ISSUED TO.

**SCHEDULE J  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Compensation Information**For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

► Complete if the organization answered "Yes" to Form 990,  
Part IV, line 23.  
► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

**2009**Open to Public  
Inspection

Name of the organization

ILLINOIS FAIR PLAN ASSOCIATION

Employer identification number

36-2688813

**Part I Questions Regarding Compensation**

**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 type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes on 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

**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?

**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"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<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, with respect to the filing organization or a related organization

**a** Receive a severance payment or change-of-control payment? . . . . .  
**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .  
**c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**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? . . . . .  
**b** Any related organization? . . . . .

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? . . . . .  
**b** Any related organization? . . . . .

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

**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

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? . . . . .

Yes

No

1b

2

4a

X

4b

X

4c

X

5a

5b

7

8

9

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

Schedule J (Form 990) 2009

## Part II Officers

**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 VIII, line 1a.

**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.

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Page 3

**COMPENSATION OF CEO/EXECUTIVE DIRECTOR**

**SCHEDULE J, PART I, LINE 3**

THE PRESIDENT'S COMPENSATION IS DETERMINED BY THE EXECUTIVE COMMITTEE  
ANNUALLY.

**SCHEDULE O  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990**

Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.  
► Attach to Form 990.

OMB No 1545-0047

**2009**Open to Public  
Inspection

Name of the organization

ILLINOIS FAIR PLAN ASSOCIATION

Employer identification number

36-2688813

ATTACHMENT 1**MEMBERS OR STOCKHOLDERS****PART VI, SECTION A, LINE 6**

YES. THE ASSOCIATION IS AN UNINCORPORATED ASSOCIATION OF THOSE INSURANCE COMPANIES WRITING CERTAIN TYPES OF PROPERTY CASUALTY INSURANCE COVERAGE IN ILLINOIS, COLLECTIVELY REFERRED TO AS "MEMBER COMPANIES" OF THE ASSOCIATION. EACH MEMBER COMPANY SHARES IN THE ASSOCIATION'S RESULTS OF OPERATIONS, RECEIVING CASH EXCESSES AND PAYING FOR CASH SHORTFALLS WITH TIMING OF PAYMENTS OR ASSESSMENTS DETERMINED BY THE FINANCE AND AUDIT COMMITTEE. THE EXTENT OF A MEMBER COMPANY'S EQUITY PARTICIPATION IN THE RESULTS OF OPERATIONS IS DETERMINED ANNUALLY, AND IS A FUNCTION OF THE MEMBER COMPANY'S VOTING PARTICIPATION PERCENTAGE ADJUSTED FOR CERTAIN CREDITS. A MEMBER COMPANY'S VOTING PARTICIPATION PERCENTAGE FOR A GIVEN YEAR REPRESENTS THE PROPORTION THAT ITS PREMIUMS WRITTEN IN ILLINOIS BEAR TO THE TOTAL OF ALL MEMBERS' PREMIUMS WRITTEN IN ILLINOIS; PREMIUMS WRITTEN FOR THIS CALCULATION ARE FOR THOSE TYPES OF INSURANCE COVERAGE OFFERED BY THE ASSOCIATION.

Name of the organization <b>ILLINOIS FAIR PLAN ASSOCIATION</b>	Employer identification number <b>36-2688813</b>
<u>ATTACHMENT 1 (CONT'D)</u>	

ELECTING MEMBERS OF THE GOVERNING BODY

PART VI, SECTION A, LINE 7A

YES. AS STATED IN THE ARTICLES OF ASSOCIATION, THE ASSOCIATION IS ADMINISTERED BY AN ELEVEN MEMBER GOVERNING COMMITTEE COMPRISED OF SIX INSURANCE INDUSTRY REPRESENTATIVES; FOUR PERSONS WHO ARE NOT EMPLOYEES OF OR OTHERWISE AFFILIATED WITH THE INSURANCE INDUSTRY; AND, ONE PERSON WHO IS AN ILLINOIS LICENSED INSURANCE PRODUCER. THE TERMS OF EACH MEMBER OF THE GOVERNING COMMITTEE BEGIN ON THE DATE OF THE ASSOCIATION'S ANNUAL MEETING. THE MEMBERS OF THE GOVERNING COMMITTEE SERVE FOR ONE YEAR OR UNTIL THEIR SUCCESSORS ARE ELECTED, APPOINTED, OR OTHERWISE DESIGNATED.

ONE MEMBER OF THE GOVERNING COMMITTEE SHALL BE DESIGNATED OR ELECTED BY EACH OF THE FOLLOWING: THE AMERICAN INSURANCE ASSOCIATION; THE PROPERTY CASUALTY INSURERS ASSOCIATION OF AMERICA; THE GROUP COMPRISING ALL OTHER STOCK INSURERS NOT MEMBERS OF THE ABOVE; AND, THE GROUP COMPRISING ALL OTHER NON-STOCK INSURERS NOT MEMBERS OF THE ABOVE. TWO ADDITIONAL DIRECTORS REPRESENTING THE INSURANCE INDUSTRY SHALL BE ELECTED, BY MAJORITY VOTE OF THE FOUR INDUSTRY MEMBERS OF THE GOVERNING COMMITTEE. THE FOUR NON-INSURANCE INDUSTRY AFFILIATED PERSONS AND THE ILLINOIS LICENSED PRODUCER SHALL BE APPOINTED TO THE GOVERNING COMMITTEE BY THE ILLINOIS DIRECTOR OF INSURANCE.

FINALLY, THE GOVERNING COMMITTEE ANNUALLY ELECTS A CHAIRMAN AND VICE CHAIRMAN, AND MAY ELECT ADDITIONAL OFFICERS, INCLUDING A SECRETARY. ALL SUCH OFFICERS ARE ELECTED BY MAJORITY VOTE OF THOSE MEMBERS PRESENT AT THE MEETING AND THEY WILL BE MEMBERS OF THE GOVERNING COMMITTEE. SIX MEMBERS OF THE GOVERNING COMMITTEE SHALL CONSTITUTE A QUORUM. EACH

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ATTACHMENT 1 (CONT'D)

MEMBER PRESENT AT THE MEETING SHALL BE ENTITLED TO ONE VOTE.

Name of the organization

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ATTACHMENT 1 (CONT'D)

## DECISIONS OF GOVERNING BODY SUBJECT TO APPROVAL

## PART VI, SECTION A, LINE 7B

YES. AS STATED IN THE ARTICLES OF ASSOCIATION, THE GOVERNING COMMITTEE HAS RESPONSIBILITY FOR THE ADMINISTRATION OF THE ASSOCIATION; IT MAY ADOPT AND PROMULGATE SUCH RULES AND ESTABLISH SUCH COMMITTEES AND SUBCOMMITTEES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THE ASSOCIATION. THE PRESIDENT AND OTHER MANAGEMENT EMPLOYEES DESIGNATED BY THE GOVERNING COMMITTEE PERFORM THE DUTIES PROVIDED IN THE ARTICLES AND SUCH OTHER DUTIES AS THE GOVERNING COMMITTEE MAY DESIGNATE.

THERE WILL BE AN ANNUAL MEETING OF THE MEMBERS ON A DATE AND AT A LOCATION FIXED BY THE GOVERNING COMMITTEE. SPECIAL MEETINGS OF THE MEMBERS MAY ALSO BE CALLED BY THE GOVERNING COMMITTEE AND WILL BE CALLED BY THE GOVERNING COMMITTEE UPON WRITTEN REQUEST TO THE GOVERNING COMMITTEE BY ANY TEN MEMBERS, NONE OF WHICH MAY BE IN A GROUP UNDER THE SAME MANAGEMENT OR OWNERSHIP AS ANY OTHER. THE GOVERNING COMMITTEE WILL FIX THE TIME AND PLACE OF ANY SPECIAL MEETING.

AT ANY REGULAR OR SPECIAL MEETING AT WHICH THE VOTE OF THE MEMBERS IS OR MAY BE REQUIRED ON ANY PROPOSAL, INCLUDING AMENDMENT OF THE ARTICLES, OR WITH RESPECT TO ANY VOTE OF THE MEMBERS WHICH MAY BE TAKEN BY MAIL ON ANY PROPOSAL, VOTES WILL BE WEIGHTED ACCORDING TO THE PERCENTAGE THAT EACH MEMBER'S PREMIUMS WRITTEN BEARS TO THE TOTAL OF ALL PREMIUMS WRITTEN BY ALL MEMBERS. A PROPOSAL WILL BECOME EFFECTIVE WHEN APPROVED BY AT LEAST TWO-THIRDS OF THE VOTES, COMPUTED ON THE WEIGHTED BASIS. THE ARTICLES OF

Name of the organization

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ATTACHMENT 1 (CONT'D)

ASSOCIATION MAY BE AMENDED BY THE MEMBERS, SUBJECT TO THE APPROVAL OF THE

ILLINOIS DIRECTOR OF INSURANCE.

ANY PERSON OR MEMBER OF THE ASSOCIATION AGGRIEVED BY ANY RULING, DECISION, ACTION, OR REFUSAL TO ACT ON THE PART OF THE ASSOCIATION MAY APPEAL TO THE GOVERNING COMMITTEE; HOWEVER, THIS RIGHT OF APPEAL DOES NOT APPLY TO DISPUTES CONCERNING COVERAGES, AMOUNTS OF LOSS, OR RELATED DEFENSES. FINALLY, THE GOVERNING COMMITTEE'S DECISION MAY BE APPEALED TO THE ILLINOIS DIRECTOR OF INSURANCE WITHIN 35 DAYS AFTER THE DATE OF THE GOVERNING COMMITTEE'S DECISION.

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ATTACHMENT 1 (CONT'D)

## FORM 990 REVIEW PROCESS

## PART VI, SECTION B, LINE 11A

FORM 990 IS COMPLETED BY AN INDEPENDENT CPA AND IS THEN REVIEWED BY THE  
FINANCE AND OPERATIONS MANAGER, THE PRESIDENT, AND THE EXECUTIVE  
COMMITTEE BEFORE IT IS FILED.

Name of the organization

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ATTACHMENT 1 (CONT'D)

CONFLICT OF INTEREST POLICY, MONITORING &amp; ENFORCEMENT

PART VI, SECTION B, LINE 12C

CONFLICT OF INTEREST STATEMENT IS COMPLETED ANNUALLY BY ALL COMMITTEE

MEMBERS AND EMPLOYEES OF THE ASSOCIATION WITH ANY POTENTIAL CONFLICTS

REVIEWED BY THE PRESIDENT, AND THE EXECUTIVE AND COMPENSATION

COMMITTEES.

Name of the organization

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ATTACHMENT 1 (CONT'D)

COMPENSATION OF CEO, EXECUTIVE DIR., TOP MANAGEMENT OFFICIAL, OR KEY OFF.

PART VI, SECTION B, LINE 15

COMPENSATION IS BASED ON A SALARY GRID WITH SPECIFIC SALARY RANGES FOR

ALL EMPLOYEES AT THE ASSOCIATION. SALARY RANGES IN PLACE FOR ALL

POSITIONS WITHIN THE ASSOCIATION WERE DEVELOPED BASED ON SIMILAR

POSITIONS WITHIN THE INDUSTRY AND ARE UPDATED ANNUALLY WITH COST OF

LIVING ADJUSTMENTS. A SALARY SURVEY WAS COMPLETED WITHIN THE PAST THREE

YEARS TO CONFIRM ACCURACY. ANNUAL ADJUSTMENTS IN COMPENSATION ARE

PROPOSED BY APPROPRIATE SUPERVISOR, BASED ON INDUSTRY AVERAGES AND

PERFORMANCE, AND APPROVED BY THE PRESIDENT AS WELL AS THE EXECUTIVE AND

COMPENSATION COMMITTEE. THE PRESIDENT'S ANNUAL SALARY IS DETERMINED BY

THE EXECUTIVE AND COMPENSATION COMMITTEES.

Name of the organization

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ATTACHMENT 1 (CONT'D)

DOCUMENTS TO BE MADE PUBLIC

PART VI, SECTION C, LINE 19

ASSOCIATION FINANCIAL STATEMENTS ARE MADE AVAILABLE TO MEMBERS THROUGH A  
PASSWORD PROTECTED WEBSITE WITH GOVERNING DOCUMENTS AND CONFLICT POLICY  
AVAILABLE UPON REQUEST; AND, BY STATUTE THE FINANCIALS ARE PUBLISHED IN  
TWO MAJOR ILLINOIS NEWSPAPERS ANNUALLY.

Name of the organization

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ATTACHMENT 2FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
INVESTMENT INCOME	4,373.	4,373	-	-
<b>TOTALS</b>	<b><u>4,373.</u></b>	<b><u>4,373.</u></b>		

ATTACHMENT 3FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
TREASURY SECURITIES	700,000.
<b>TOTALS</b>	<b><u>700,000.</u></b>