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Form 990
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public
Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No 1545-0047
2014
Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 04/01, 2014, and ending 03/31, 2015

B Check if applicable
C Name of organization IN-Q-TEL, INC.
D Employer identification number 52-2149962
E Telephone number (703) 248-3000
F Name and address of principal officer CHRISTOPHER DARBY
G Gross receipts \$ 117,394,488.
H(a) Is this a group return for subsidiaries? Yes X No
H(b) Are all subsidiaries included? Yes No
I Tax-exempt status X 501(c)(3)
J Website WWW.IQT.ORG
K Form of organization X Corporation
L Year of formation 1999
M State of legal domicile DE

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1 Briefly describe the organization's mission... 2 Check this box... 3 Number of voting members... 4 Number of independent voting members... 5 Total number of individuals employed... 6 Total number of volunteers... 7a Total unrelated business revenue... 7b Net unrelated business taxable income... 8 Contributions and grants... 9 Program service revenue... 10 Investment income... 11 Other revenue... 12 Total revenue... 13 Grants and similar amounts paid... 14 Benefits paid to or for members... 15 Salaries, other compensation... 16a Professional fundraising fees... 16b Total fundraising expenses... 17 Other expenses... 18 Total expenses... 19 Revenue less expenses... 20 Total assets... 21 Total liabilities... 22 Net assets or fund balances...

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
Signature of officer: [Signature]
Date: 2/16/16
Type or print name and title: Matthew Stottman, COO

Paid Preparer Use Only
Print/Type preparer's name: TRAVIS L PATTON
Preparer's signature: [Signature]
Date: FEB 11 2016
Check self-employed: [ ]
PTIN: P00369623
Firm's name: PRICEWATERHOUSECOOPERS LLP
Firm's EIN: 13-4008324
Firm's address: 600 13TH STREET NW, SUITE 1000 WASHINGTON, DC 20005-3005
Phone no: 202-414-1000

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

For Paperwork Reduction Act Notice, see the separate instructions. Form 990 (2014)

SCANNED MAR 17 2016

**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission  
IN-Q-TEL IDENTIFIES, ADAPTS AND DELIVERS INNOVATIVE TECHNOLOGY SOLUTIONS THAT SERVE THE NATIONAL SECURITY INTERESTS OF THE UNITED STATES.

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 organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations 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 \$ 56,347,690 including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)  
ATTACHMENT 1

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 ▶ 56,347,690.

Part IV Checklist of Required Schedules

Table with 3 columns: Question Number, Yes, No. Rows 1-20b detailing various organizational requirements and their completion status.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, Yes, No. Rows 21-38 detailing various organizational requirements and reporting obligations.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and numerical responses. Includes questions about Form 1096, Form W-2G, Form W-3, and various tax shelter and contribution rules.

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 Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 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?; 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?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following; 8a The governing body?; 8b Each committee with authority to act on behalf of the governing body?; 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13; 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 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?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 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?; 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA, MA
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20 State the name, address, and telephone number of the person who possesses the organization's books and records.

MATTHEW STROTTMAN 2107 WILSON BLVD SUITE 1100 ARLINGTON, VA 22201 703-248-3000

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII.

**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

- 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, if any 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) M. CROW CHAIRMAN	5.00 0	X					42,500.	0	0	
(2) J. BARKSDALE TRUSTEE	5.00 0	X					35,000.	0	0	
(3) P. BARRIS TRUSTEE & COMMITTEE CHAIR	5.00 0	X					37,500.	0	0	
(4) A. JONES TRUSTEE & COMMITTEE CHAIR	5.00 0	X					37,500.	0	0	
(5) E. PATE-CORNELL TRUSTEE	5.00 0	X					35,000.	0	0	
(6) J. MISCIK TRUSTEE	5.00 0	X					35,000.	0	0	
(7) H. COX TRUSTEE & COMMITTEE CHAIR	5.00 0	X					37,500.	0	0	
(8) AB KRONGARD TRUSTEE	5.00 0	X					0	0	0	
(9) T. SCHLEIN TRUSTEE	5.00 0	X					35,000.	0	0	
(10) M. MULLEN TRUSTEE	5.00 0	X					35,000.	0	0	
(11) C. DARBY PRESIDENT, CEO & TRUSTEE	40.00 0			X			1,526,388.	0	276,451.	
(12) S. BOWSHER EVP & MANAGING PARTNER	40.00 0			X			1,826,380.	0	256,151.	
(13) M. STROTTMAN EVP & CFO	40.00 0			X			562,498.	0	165,542.	
(14) B. ADAMS EVP & GENERAL COUNSEL	40.00 0			X			524,416.	0	46,304.	



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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
( 15 ) B. GLEICHAUF EVP & CHIEF SCIENTIST	40.00 0			X				502,679.	0	55,401.
( 16 ) E. POULOS EVP & CHIEF OF STAFF	40.00 0			X				493,571.	0	51,232.
( 17 ) W. RADOSEVICH EVP - TECHNOLOGY PROGRAMS	40.00 0			X				180,927.	0	36,452.
( 18 ) T. O'TOOLE EVP & SENIOR FELLOW	40.00 0			X				245,510.	0	29,141.
( 19 ) G. HOYEM PARTNER	40.00 0					X		461,379.	0	34,101.
( 20 ) E. KAUFMANN PARTNER	40.00 0					X		445,681.	0	10,400.
( 21 ) T. RYLANDER PARTNER	40.00 0					X		480,407.	0	92,218.
( 22 ) P. BORBELY PARTNER	40.00 0					X		443,237.	0	26,484.
( 23 ) S. DAVIDSON PARTNER	40.00 0					X		451,422.	0	88,646.
( 24 ) T. PEARSALL FORMER EVP-TECHNOLOGY TRANSFER	40.00 0						X	434,977.	0	35,352.
<b>1b Sub-total</b>								4,769,682.	0	744,448.
<b>c Total from continuation sheets to Part VII, Section A</b>								4,139,790.	0	459,427.
<b>d Total (add lines 1b and 1c)</b>								8,909,472.	0	1,203,875.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **79**

	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	X	
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	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

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 **65**

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII.

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
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	93,878,682				
	f	All other contributions, gifts, grants, and similar amounts not included above . . . . . 1f					
	g	Noncash contributions included in lines 1a-1f \$					
	h	<b>Total.</b> Add lines 1a-1f . . . . . ▶	93,878,682				
Program Service Revenue			<b>Business Code</b>				
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue . . . . .					
g	<b>Total.</b> Add lines 2a-2f . . . . . ▶	0					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). . . . . ▶	1,998,677			1,998,677	
	4	Income from investment of tax-exempt bond proceeds . . . . . ▶	0				
	5	Royalties . . . . . ▶	0				
	6a			(i) Real	(ii) Personal		
		b	Gross rents . . . . .				
		c	Less rental expenses . . . . .				
		d	Net rental income or (loss) . . . . . ▶	0			
	7a			(i) Securities	(ii) Other		
		b	Gross amount from sales of assets other than inventory . . . . .	21,517,129			
		c	Less cost or other basis and sales expenses . . . . .	25,586,238			
		d	Net gain or (loss) . . . . . ▶	-4,069,109			-4,069,109
	8a						
		b	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . a				
		c	Less direct expenses . . . . . b				
		c	Net income or (loss) from fundraising events . . . . . ▶	0			
9a							
	b	Gross income from gaming activities See Part IV, line 19 . . . . . a					
	c	Less direct expenses . . . . . b					
	c	Net income or (loss) from gaming activities . . . . . ▶	0				
10a							
	b	Gross sales of inventory, less returns and allowances . . . . . a					
	c	Less cost of goods sold . . . . . b					
	c	Net income or (loss) from sales of inventory . . . . . ▶	0				
		Miscellaneous Revenue	<b>Business Code</b>				
11a							
b							
c							
d	All other revenue . . . . .						
e	<b>Total.</b> Add lines 11a-11d . . . . . ▶	0					
12	<b>Total revenue.</b> See instructions . . . . . ▶	91,808,250			-2,070,432.		

**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).

Check if Schedule O contains a response or note to any line in this Part IX

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 domestic organizations and domestic governments See Part IV, line 21 . . . . .	0			
2 Grants and other assistance to domestic individuals See Part IV, line 22 . . . . .	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals 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 . . . . .	7,178,345.	3,674,245.	3,504,100.	
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 . . . . .	19,695,720.	16,716,793.	2,978,927.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	0			
9 Other employee benefits . . . . .	2,021,943.	1,613,985.	407,958.	
10 Payroll taxes . . . . .	1,133,985.	900,669.	233,316.	
11 Fees for services (non-employees)				
a Management . . . . .	0			
b Legal . . . . .	460,543.	39,631.	420,912.	
c Accounting . . . . .	264,988.		264,988.	
d Lobbying . . . . .	0			
e Professional fundraising services See Part IV, line 17.	0			
f Investment management fees . . . . .	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O) . . . . .	1,364,621.	1,096,332.	268,289.	
12 Advertising and promotion . . . . .	336,134.	1,182.	334,952.	
13 Office expenses . . . . .	818,066.	260,531.	557,535.	
14 Information technology . . . . .	1,036,710.	1,019,485.	17,225.	
15 Royalties . . . . .	0			
16 Occupancy . . . . .	2,618,347.	1,593,438.	1,024,909.	
17 Travel . . . . .	2,032,080.	1,649,291.	382,789.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19 Conferences, conventions, and meetings . . . . .	546,166.	113,791.	432,375.	
20 Interest . . . . .	0			
21 Payments to affiliates . . . . .	0			
22 Depreciation, depletion, and amortization . . . . .	1,433,344.	7,758.	1,425,586.	
23 Insurance . . . . .	383,471.		383,471.	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a <u>WORK PROGRAM FOR CIA AND IC</u> . . . . .	26,574,101.	26,517,759.	56,342.	
b <u>EQUIPMENT</u> . . . . .	425,691.	423,790.	1,901.	
c <u>DUES AND SUBSCRIPTIONS</u> . . . . .	175,700.	116,155.	59,545.	
d <u>ALLOCATION OF INDIRECT EXP</u> . . . . .		295,406.	-295,406.	
e All other expenses . . . . .	522,718.	307,449.	215,269.	
25 Total functional expenses. Add lines 1 through 24e . . . . .	69,022,673.	56,347,690.	12,674,983.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .	0			

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

Table with columns (A) Beginning of year, (B) End of year, and rows for Assets (1-16), Liabilities (17-26), and Net Assets or Fund Balances (27-34). Includes sub-rows 10a and 10b for land/buildings and 10c for depreciation.

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	91,808,250.
2	Total expenses (must equal Part IX, column (A), line 25)	2	69,022,673.
3	Revenue less expenses Subtract line 2 from line 1	3	22,785,577.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	253,836,795.
5	Net unrealized gains (losses) on investments	5	50,226,530.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	326,848,902.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

1 Accounting method used to prepare the Form 990  Cash  Accrual  Other  
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?  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both  
 Separate basis  Consolidated basis  Both consolidated and separate basis

b Were the organization's financial statements audited by an independent accountant?  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both  
 Separate basis  Consolidated basis  Both consolidated and separate basis

c 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

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?

b 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

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2014)

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Public Charity Status and Public Support**

OMB No 1545-0047

**2014**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

IN-Q-TEL, INC.

Employer identification number

52-2149962

**Part I Reason for Public Charity Status** (All organizations must complete this part ) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2  A school described in section 170(b)(1)(A)(ii). (Attach Schedule E )
- 3  A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4  A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II )
- 8  A community trust described in section 170(b)(1)(A)(vi). (Complete Part II )
- 9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See section 509(a)(4).
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g
  - a  **Type I** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B**
  - b  **Type II** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C**
  - c  **Type III functionally integrated** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E**
  - d  **Type III non-functionally integrated** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
  - f Enter the number of supported organizations \_\_\_\_\_
  - g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
<b>Total</b>						

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

Schedule A (Form 990 or 990-EZ) 2014

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support. Add lines 7 through 10.

12 Gross receipts from related activities, etc (see instructions) 12
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Row 14: Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f)) 14 97.84%. Row 15: Public support percentage from 2013 Schedule A, Part II, line 14 15 97.95%.

- 16a 33 1/3% support test - 2014. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization [X]
b 33 1/3% support test - 2013. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization [ ]
17a 10%-facts-and-circumstances test - 2014. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization [ ]
b 10%-facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization [ ]
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions [ ]

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose; 3 Gross receipts from activities that are not an unrelated trade or business under section 513; 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf; 5 The value of services or facilities furnished by a governmental unit to the organization without charge; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on; 12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI); 13 Total support. (Add lines 9, 10c, 11, and 12); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Value, Percentage. Row 15: Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2013 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Value, Percentage. Row 17: Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2013 Schedule A, Part III, line 17.

- 19a 33 1/3% support tests - 2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
19b 33 1/3% support tests - 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.



Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 10b regarding supported organizations, including their status, control, and support.

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 11: Has the organization accepted a gift or contribution from any of the following persons? Sub-rows 11a, 11b, 11c.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? Row 2: Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? Row 2: Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? Row 3: By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally-Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). Sub-rows a, b, c. Row 2: Activities Test Answer (a) and (b) below. Sub-rows a, b. Row 3: Parent of Supported Organizations Answer (a) and (b) below. Sub-rows a, b.

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	8	
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI)		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.35	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount</b> . Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**

Section D - Distributions		Current Year		
1	Amounts paid to supported organizations to accomplish exempt purposes			
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity			
3	Administrative expenses paid to accomplish exempt purposes of supported organizations			
4	Amounts paid to acquire exempt-use assets			
5	Qualified set-aside amounts (prior IRS approval required)			
6	Other distributions (describe in Part VI) See instructions			
7	<b>Total annual distributions.</b> Add lines 1 through 6			
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions			
9	Distributable amount for 2014 from Section C, line 6			
10	Line 8 amount divided by Line 9 amount			
Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1	Distributable amount for 2014 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3	Excess distributions carryover, if any, to 2014			
a				
b				
c				
d				
e	From 2013 . . . . .			
f	<b>Total</b> of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2014 distributable amount			
i	Carryover from 2009 not applied (see instructions)			
j	Remainder Subtract lines 3g, 3h, and 3i from 3f			
4	Distributions for 2014 from Section D, line 7 \$			
a	Applied to underdistributions of prior years			
b	Applied to 2014 distributable amount			
c	Remainder Subtract lines 4a and 4b from 4			
5	Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6	Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7	<b>Excess distributions carryover to 2015</b> Add lines 3j and 4c			
8	Breakdown of line 7			
a				
b				
c				
d	Excess from 2013 . . . . .			
e	Excess from 2014 . . . . .			

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**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, and Part III, line 12. Also complete this part for any additional information. (See instructions)

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

Complete if the organization answered "Yes" to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

2014

Attach to Form 990.

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

IN-Q-TEL, INC.

52-2149962

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two questions about donor notification.

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7

Table with 2 columns: Question, Held at the End of the Tax Year. Rows include purpose(s) of conservation easements, total number of easements, acreage, and various monitoring and reporting questions.

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.

Table with 2 columns: Question, Amount. Rows include questions about reporting works of art and historical treasures, and amounts required to be reported.

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

Schedule D (Form 990) 2014

JSA 4E1288 1 000

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 Public exhibition
b Scholarly research
c Preservation for future generations
d Loan or exchange programs
e Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
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?

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?
b If "Yes," explain the arrangement in Part XIII and complete the following table

Table with 6 rows (1c-1f) and 2 columns (Amount, Yes/No). Rows include: 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, for escrow or custodial account liability?

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

Table with 6 columns (a-e) and 7 rows (1a-1g). Columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a Beginning of year balance, 1b Contributions, 1c Net investment earnings, gains, and losses, 1d Grants or scholarships, 1e Other expenditures for facilities and programs, 1f Administrative expenses, 1g End of year balance.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
a Board designated or quasi-endowment %
b Permanent endowment %
c Temporarily restricted endowment %
The percentages in lines 2a, 2b, and 2c should equal 100%

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
(i) unrelated organizations
(ii) related organizations
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

Part VI Land, Buildings, and Equipment. Complete if the organization answered "Yes" to Form 990, Part IV, line 11a See Form 990, Part X, line 10.

Table with 4 columns (a-d) and 6 rows (1a-1e). Columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e 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.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b 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
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) PREFERRED STOCK	67,633,423.	FMV
(2) COMMON STOCK	3,099,553.	FMV
(3) WARRANTS - PREFERRED	132,603,850.	FMV
(4) WARRANTS - COMMON	2,549,186.	FMV
(5) CONVERTIBLE NOTE	5,364,627.	FMV
(6)		
(7)		
(8)		
(9)		
Total (Column (b) must equal Form 990, Part X, col (B) line 13) ▶ 211,250,639.		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) . . . . . ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	

2. Liability for uncertain tax positions In Part XIII, 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 (ASC 740) Check here if the text of the footnote has been provided in Part XIII





**Part XIII** Supplemental Information *(continued)*

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**SCHEDULE F  
(Form 990)**

**Statement of Activities Outside the United States**

OMB No 1545-0047

**2014**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.
- ▶ Attach to Form 990.
- ▶ Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

IN-Q-TEL, INC.

Employer identification number

52-2149962

**Part I** General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States

3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) NORTH AMERICA			PROGRAM SERVICES	TECHNOLOGY DEVELOPMENT	3,161,000
(2) EUROPE			PROGRAM SERVICES	TECHNOLOGY DEVELOPMENT	180,000
(3) EAST ASIA AND THE PACIFIC			PROGRAM SERVICES	TECHNOLOGY DEVELOPMENT	165,000
(4) NORTH AMERICA			INVESTMENTS		7,914,026
(5) EUROPE			INVESTMENTS		1,232,188
(6) EAST ASIA AND THE PACIFIC			INVESTMENTS		236,157
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total, . . . . .					12,888,371
b Total from continuation sheets to Part I . . . . .					
c Totals (add lines 3a and 3b)					12,888,371

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

Schedule F (Form 990) 2014

JSA  
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**Part II** Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter. ▲

3 Enter total number of other organizations or entities. ▲

**Part III** Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

**Part IV Foreign Forms**

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* . . . . .  Yes  No
  
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, do not file with Form 990)* . . . . .  Yes  No
  
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons With Respect To Certain Foreign Corporations (see Instructions for Form 5471)* . . . . .  Yes  No
  
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* . . . . .  Yes  No
  
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons With Respect To Certain Foreign Partnerships (see Instructions for Form 8865)* . . . . .  Yes  No

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- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713, do not file with Form 990)* . . . . .  Yes  No

**Part V** Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds), Part I, line 3, column (f) (accounting method, amounts of investments vs expenditures per region), Part II, line 1 (accounting method), Part III (accounting method), and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No 1545-0047

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

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

**2014**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

IN-Q-TEL, INC.

Employer identification number

52-2149962

**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 checked="" 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 are 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 directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" 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), 501(c)(4), and 501(c)(29) 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 Regulations 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
<b>1b</b>	X	
<b>2</b>	X	
<b>4a</b>		X
<b>4b</b>	X	
<b>4c</b>	X	
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

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

Schedule J (Form 990) 2014



**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 C. DARBY PRESIDENT, CEO & TRUSTEE	(i)	622,770.	803,250.	100,368.	251,200.	1,803,787.	0
	(ii)	0	0	0	0	0	0
2 S. BOWSER EVP & MANAGING PARTNER	(i)	573,070.	1,252,500.	810.	231,200.	2,084,384.	600,000.
	(ii)	0	0	0	0	0	0
3 M. STROTTMAN EVP & CFO	(i)	344,593.	216,426.	1,479.	140,291.	728,940.	0
	(ii)	0	0	0	0	0	0
4 B. ADAMS EVP & GENERAL COUNSEL	(i)	319,982.	201,318.	3,116.	31,200.	571,682.	0
	(ii)	0	0	0	0	0	0
5 B. GLEICHAUF EVP & CHIEF SCIENTIST	(i)	306,676.	193,681.	2,322.	31,200.	560,003.	0
	(ii)	0	0	0	0	0	0
6 E. POULOS EVP & CHIEF OF STAFF	(i)	301,086.	190,737.	1,748.	31,200.	545,720.	0
	(ii)	0	0	0	0	0	0
7 W. RADOSEVICH EVP - TECHNOLOGY PROGRAMS	(i)	179,740.	0	1,187.	22,192.	218,047.	0
	(ii)	0	0	0	0	0	0
8 T. O'TOOLE EVP & SENIOR FELLOW	(i)	240,337.	2,500.	2,673.	29,141.	274,651.	0
	(ii)	0	0	0	0	0	0
9 G. HOYEM PARTNER	(i)	286,482.	171,650.	3,247.	10,400.	496,452.	0
	(ii)	0	0	0	0	0	0
10 E. KAUFMANN PARTNER	(i)	288,655.	155,555.	1,471.	10,400.	456,995.	0
	(ii)	0	0	0	0	0	0
11 T. RYLANDER PARTNER	(i)	306,375.	173,546.	486.	92,218.	574,463.	0
	(ii)	0	0	0	0	0	0
12 P. BORBELY PARTNER	(i)	270,279.	169,394.	3,564.	10,400.	471,627.	0
	(ii)	0	0	0	0	0	0
13 S. DAVIDSON PARTNER	(i)	290,482.	160,130.	810.	64,945.	541,921.	0
	(ii)	0	0	0	0	0	0
14 T. PEARSALL FORMER EVP-TECHNOLOGY TRANSFER	(i)	269,567.	164,202.	1,208.	10,400.	472,210.	0
	(ii)	0	0	0	0	0	0
15	(i)						
	(ii)						
16	(i)						
	(ii)						

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part-II. Also complete this part for any additional information.

FORM 990, PART VII & SCHEDULE J, PART II  
IN ADDITION TO C. DARBY'S RESPONSIBILITIES AS PRESIDENT AND CEO OF  
IN-Q-TEL (IQT), MR. DARBY SERVES AS A TRUSTEE ON THE COMPANY'S BOARD OF  
TRUSTEES. MR. DARBY HAS WAIVED ANY COMPENSATION RELATED TO HIS TRUSTEE  
DUTIES AND HIS INCOME AS REPORTED IN THIS FORM IS ENTIRELY ATTRIBUTABLE  
TO HIS DUTIES AS PRESIDENT AND CEO.

FORM 990, SCHEDULE J, PART I, LINE 1A  
IN-Q-TEL'S CORPORATE TRAVEL POLICY STATES, "WITH THE EXCEPTION OF FOREIGN  
BUSINESS TRAVEL, AND NOTWITHSTANDING THE CEO AND EXECUTIVE VICE  
PRESIDENTS, ALL OTHER IQT EMPLOYEES ARE REQUIRED TO TRAVEL IN COACH OR  
ECONOMY CLASS. EXCEPTIONS MUST BE PRE-APPROVED BY THE CEO OR CFO. WHILE  
ON FOREIGN BUSINESS TRIPS, EMPLOYEES TRAVELING ON NONSTOP FLIGHTS LONGER  
THAN SIX HOURS ARE ELIGIBLE TO UPGRADE TO BUSINESS CLASS OR FIRST CLASS  
IF BUSINESS CLASS IS NOT AVAILABLE." WHILE THE CORPORATE TRAVEL POLICY  
SPECIFICALLY ADDRESSES IN-Q-TEL EMPLOYEE TRAVEL, IN-Q-TEL BOARD OF  
TRUSTEES ARE PROVIDED THE OPTION TO TRAVEL TO QUARTERLY BOARD MEETINGS IN  
BUSINESS CLASS AND RECEIVE REIMBURSEMENT.

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

FORM 990, SCHEDULE J, LINE 4B

FOR CALENDAR YEAR 2014, MR. DARBY'S EMPLOYMENT ARRANGEMENT IS AS

FOLLOWS:

- BASE SALARY OF \$630,000
- AN ANNUAL PERFORMANCE BASED BONUS DECIDED BY THE BOARD BASED ON PRESET CRITERIA
- SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION AS A RETENTION MECHANISM, PAYABLE UPON COMPLETION OF THE CONTRACT TERM. THE AMOUNT ACCRUED DURING CALENDAR YEAR 2014 IS \$220,000.

FOR CALENDAR YEAR 2014, MR. BOWSHER'S EMPLOYMENT ARRANGEMENT IS AS

FOLLOWS:

- BASE SALARY OF \$580,000
- AN ANNUAL PERFORMANCE BASED BONUS DECIDED BY THE BOARD BASED ON PRESET CRITERIA
- SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION AS A RETENTION MECHANISM, PAYABLE UPON COMPLETION OF THE CONTRACT TERM. THE AMOUNT ACCRUED DURING CALENDAR YEAR 2014 IS \$200,000.

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

THE FOLLOWING INDIVIDUALS RECEIVED SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION AS A RETENTION MECHANISM. THE AMOUNT ACCRUED DURING CALENDAR

YEAR 2014 IS:

- M. STROTTMAN \$109,091
- T. RYLANDER \$81,818
- S. DAVIDSON \$54,545

FORM 990, SCHEDULE J, LINE 4C

PLEASE REFER TO THE SCHEDULE O DISCLOSURE ON IN-Q-TEL EMPLOYEE FUND, LLC.

FORM 990, SCHEDULE J

THE COMPENSATION OF THE CEO AND MANAGING PARTNER IS NOT PAID FOR WITH GOVERNMENT FUNDING. IN ADDITION, ALL INDIVIDUAL EMPLOYEE COMPENSATION IN EXCESS OF \$487,000 IS ALSO NOT PAID FOR WITH GOVERNMENT FUNDING.

SCHEDULE O  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2014

Open to Public  
Inspection

Name of the organization

IN-Q-TEL, INC.

Employer identification number

52-2149962

PART VI, LINE 11B

REVIEW OF FORM 990

THE FORM 990 WAS PREPARED BY THE COMPANY'S EXTERNAL TAX ADVISORY FIRM WITH THE ASSISTANCE OF IN-Q-TEL'S FINANCE TEAM. THE FORM 990 WAS ALSO REVIEWED BY CERTAIN MEMBERS OF THE COMPANY'S EXECUTIVE TEAM, INCLUDING THE CFO AND GENERAL COUNSEL. ADDITIONALLY, THE AUDIT AND ETHICS COMMITTEE OF THE BOARD OF TRUSTEES REVIEWED THE FORM 990 DURING ONE OF ITS QUARTERLY MEETINGS. AFTER REVIEW BY THE AUDIT AND ETHICS COMMITTEE, THE FORM 990 WAS DISTRIBUTED TO ALL MEMBERS OF THE BOARD OF TRUSTEES PRIOR TO FILING.

PART VI, LINE 12C

CONFLICT OF INTEREST POLICY

FOR EVERY TRANSACTION SUBJECT TO BOARD/COMMITTEE APPROVAL, THE MEMBERS OF THE BOARD AND COMMITTEE ARE ASKED TO IDENTIFY ANY CONFLICTS. THE "DEAL TEAMS" ALSO IDENTIFY CONFLICTS INVOLVING IQT OFFICERS OR EMPLOYEES IN TRANSACTIONS IN THE DOCUMENTS SUBMITTED FOR APPROVAL. ADDITIONALLY, EACH YEAR IN CONNECTION WITH THE PREPARATION OF THE FORM 990, A QUESTIONNAIRE IS SENT TO IQT TRUSTEES AND OFFICERS ASKING FOR IDENTIFICATION OF CONFLICTS.

PART VI, LINE 15A & 15B

COMPENSATION EXPLANATION

IN FORMULATING IQT'S COMPENSATION SYSTEM, THE BOARD OF TRUSTEES COMPLIES

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
--	--

WITH ITS RESPONSIBILITIES UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED ("CODE"), TO PAY REASONABLE COMPENSATION TO IQT'S EMPLOYEES AND TO AVOID ANY "EXCESS BENEFIT TRANSACTIONS" UNDER SECTION 4958 OF THE CODE. IN OVERSEEING IQT'S COMPENSATION SYSTEM, THE BOARD ADHERES TO THE FOLLOWING PRINCIPLES:

- THE COMPENSATION SYSTEM IS APPROVED BY THE BOARD OR A COMMITTEE OF THE BOARD COMPOSED ENTIRELY OF INDEPENDENT TRUSTEES WHO ARE NOT EMPLOYEES OF, OR INDEPENDENT CONTRACTORS TO, IQT.

- THE BOARD, OR COMMITTEE THEREOF, OBTAINS AND RELIES UPON APPROPRIATE COMPENSATION DATA FOR COMPARABLE ENTITIES PRIOR TO MAKING COMPENSATION DETERMINATIONS; AND

- THE BASIS FOR ITS DETERMINATION IS DOCUMENTED CONCURRENTLY WITH THE BOARD OR COMMITTEE MAKING THAT DETERMINATION.

THE HUMAN RESOURCES & COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES AS SET FORTH IN ITS CHARTER, IQT'S HUMAN RESOURCES AND COMPENSATION COMMITTEE (THE "HR AND COMPENSATION COMMITTEE" OR "COMMITTEE") HAS BEEN CHARGED BY THE BOARD OF TRUSTEES TO ASSIST THE BOARD IN OVERSEEING IQT'S COMPENSATION SYSTEM. SPECIFICALLY, THE COMMITTEE PERFORMS THE FOLLOWING DUTIES:

- ENSURES THAT IQT'S COMPENSATION PROGRAM AND OTHER EMPLOYEE BENEFITS ARE

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
--	--

COMPARABLE TO APPROPRIATE MARKETS

- DETERMINES, WITH INPUT FROM THE CIA, AN OVERALL ANNUAL COMPANY "PERFORMANCE SCORE" THAT REFLECTS THE EXTENT AND MANNER IN WHICH IQT HAS BEEN SUCCESSFUL IN PURSUING ITS MISSION.
- CONDUCTS AN ANNUAL REVIEW OF THE CHIEF EXECUTIVE OFFICER'S ("CEO'S") PERFORMANCE, AND MAKES RECOMMENDATIONS TO THE BOARD OF TRUSTEES ON THE CEO'S COMPENSATION AND BENEFITS FOR THE NEXT YEAR.
- ON AN ANNUAL BASIS, REVIEWS THE CEO'S RECOMMENDATIONS REGARDING THE COMPENSATION AND BENEFITS OF THE OTHER DISQUALIFIED PERSONS, AS DEFINED IN SECTION 4958 OF THE INTERNAL REVENUE CODE, AND DETERMINES THEIR COMPENSATION AND BENEFITS FOR THE NEXT YEAR.
- ON AN ANNUAL BASIS, REVIEWS THE DETERMINATION OF COMPENSATION AND BENEFITS OF THE OTHER EMPLOYEES MADE BY THE CEO OR THE CEO'S DESIGNEE.
- ENGAGES AN INDEPENDENT COMPENSATION CONSULTING FIRM TO PERFORM A PERIODIC STUDY OF IQT'S COMPENSATION PROGRAM AND ADMINISTRATION, OR PARTS THEREOF. (THIS STUDY INCLUDES, BUT IS NOT LIMITED TO, A REVIEW OF DATA THE COMPANY USED TO BENCHMARK POSITIONS, DOCUMENTATION OF BASE SALARY ADJUSTMENTS, AND ANNUAL INCENTIVE PLAN AWARDS.) FOLLOWING COMPLETION OF SUCH STUDY, THE COMPENSATION CONSULTING FIRM DELIVERS A REPORT TO THE HUMAN RESOURCES AND COMPENSATION COMMITTEE DISCUSSING IQT'S ADHERENCE TO

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
--	--

ITS COMPENSATION POLICIES.

- WORKS WITH IQT'S IN-HOUSE AND OUTSIDE COUNSEL TO ENSURE THAT IQT'S COMPENSATION STRUCTURE AND PLANS COMPLY WITH INTERNAL REVENUE CODE AND OTHER LEGAL REQUIREMENTS.

- KEEPS THE BOARD OF TRUSTEES INFORMED OF KEY COMPENSATION AND HUMAN RESOURCE ISSUES AFFECTING IQT.

PART VI, LINE 19

DOCUMENTS AVAILABLE TO THE PUBLIC

IN-Q-TEL DOES NOT MAKE THIS INFORMATION AVAILABLE TO THE PUBLIC.

SCHEDULE R, PART V

EIP DISCLOSURE STATEMENT

IN-Q-TEL MAINTAINS AN INVESTMENT IN A SEPARATE RELATED ENTITY CALLED IN-Q-TEL EMPLOYEE FUND, LLC. THIS ENTITY WAS CREATED AS PART OF AN EMPLOYEE INCENTIVE PROGRAM (EIP) WHICH INVOLVED MAKING SIDE-BY-SIDE EQUITY INVESTMENTS WITH IN-Q-TEL. THE EIP WAS SUSPENDED IN JUNE 2007 AND NO FURTHER INVESTMENTS ARE BEING MADE.

ATTACHMENT 1

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

IQT WAS ESTABLISHED IN 1999 AS A PRIVATE, INDEPENDENT, NOT-FOR-PROFIT CORPORATION TO HELP THE CIA AND BROADER U.S. INTELLIGENCE COMMUNITY (IC) IDENTIFY, ADAPT, AND DELIVER CUTTING-EDGE TECHNOLOGIES THAT ADDRESS NATIONAL SECURITY NEEDS.



Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
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ATTACHMENT 1 (CONT'D)

IQT'S STRATEGIC INVESTMENT MODEL GIVES IT THE AGILITY - OFTEN LACKING WITHIN TRADITIONAL GOVERNMENT CONTRACTING APPROACHES - TO FIND AND NURTURE ENTREPRENEURS AND COMPANIES THAT CAN PROVIDE A SUPPLY CHAIN OF INNOVATION WHICH ENABLES THE IC TO BENEFIT FROM COMMERCIAL TECHNOLOGY ADVANCES.

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

APPROACH  
-----

IQT WORKS AS:

- \* A STRATEGIC INVESTMENT ORGANIZATION, INVESTING IN COMPANIES TO HELP NASCENT COMMERCIAL TECHNOLOGIES MATURE INTO MISSION-READY PRODUCTS AT A LOWER COST THAN ALTERNATIVE APPROACHES;
- \* A TECHNOLOGY ACCELERATOR, FOSTERING DEVELOPMENT AND INTRODUCTION OF TECHNOLOGIES NEEDED BY THE IC; AND
- \* AN IDEA LAB AND FORUM FOR INNOVATION, PROVIDING THE IC WITH INSIGHT AND ACCESS TO BOTH NEW TECHNOLOGIES AND LEADING INNOVATORS AND THINKERS.

IDENTIFYING INNOVATIVE TECHNOLOGIES:  
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Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
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ATTACHMENT 1 (CONT'D)

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AS A STRATEGIC INVESTOR, IQT IDENTIFIES STARTUP COMPANIES THAT HAVE COMMERCIALY-FOCUSED INNOVATIVE TECHNOLOGIES IN DEVELOPMENT THAT FIT THE NEEDS OF THE IC. IQT CRAFTS WORK PROGRAMS TO ADAPT A COMPANY'S TECHNOLOGY TO SPECIFIC CUSTOMER REQUIREMENTS AND MAKES AN INVESTMENT TOWARDS THAT WORK PROGRAM. IQT DESIGNS ITS STRATEGIC INVESTMENTS TO ACCELERATE PRODUCT DEVELOPMENT AND DELIVERY, AND SPECIFICALLY TO HELP COMPANIES ADD CAPABILITIES THAT ITS INTELLIGENCE COMMUNITY CUSTOMERS NEED. ADDITIONALLY, IQT EFFECTIVELY LEVERAGES A SIGNIFICANT AMOUNT OF PRIVATE SECTOR FUNDS, OFTEN FROM TOP-TIER VENTURE CAPITAL FIRMS, TO CO-INVEST IN OUR PORTFOLIO COMPANIES. ON AVERAGE, FOR EVERY DOLLAR THAT IQT INVESTS IN A COMPANY, THE VENTURE CAPITAL COMMUNITY HAS INVESTED MORE THAN FIFTEEN DOLLARS, HELPING TO DELIVER CRUCIAL NEW CAPABILITIES AT LOWER COST TO THE GOVERNMENT.

AS OF MARCH 31, 2015, IQT'S AREAS OF TECHNOLOGY FOCUS ARE: FIELD DEPLOYABLE TECHNOLOGIES, ADVANCED ANALYTICS, INFRASTRUCTURE AND SECURITY, AND MOBILITY.

BUILDING STRONG COMPANIES FOR STRONG TECHNOLOGIES:

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USING PRODUCT DEVELOPMENT FUNDING AND EQUITY INVESTING, IQT CREATES INCENTIVES FOR COMPANIES TO PUT THEIR BEST TALENT INTO SOLVING THE TOUGHEST TECHNOLOGY PROBLEMS FACING THE CIA AND BROADER INTELLIGENCE COMMUNITY. ONCE AN INVESTMENT IS MADE, IQT

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
--	--

ATTACHMENT 1 (CONT'D)

WORKS WITH THE COMPANY AND THE CUSTOMER TO ADAPT THE TECHNOLOGY ACCORDING TO CUSTOMER NEED, AND FACILITATES SOLUTION DELIVERY. THE ADVANTAGES TO THE IC ARE SIGNIFICANT: LOWER INITIAL AND LONG-TERM COSTS, FASTER DEVELOPMENT, AND ONGOING PRODUCT ENHANCEMENTS TO MEET IC NEEDS.

SERVING NEW INTELLIGENCE COMMUNITY CUSTOMERS:

-----

AS OF MARCH 31, 2015, IQT HAS EXPANDED ITS IC PARTNERSHIPS TO INCLUDE THE CIA, THE DEFENSE INTELLIGENCE AGENCY (DIA), THE DEPARTMENT OF HOMELAND SECURITY SCIENCE & TECHNOLOGY DIRECTORATE (DHS S&T), THE NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY (NGA), AND OTHERS.

PROGRAM SERVICE ACCOMPLISHMENTS:

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IN FURTHERANCE OF ITS EXEMPT PURPOSES, IQT'S ACHIEVEMENTS SINCE INCEPTION IN 1999 THROUGH MARCH 31, 2015 INCLUDE THE FOLLOWING:

1. INVESTED IN MORE THAN 250 PORTFOLIO COMPANIES, MANY OF WHICH HAVE PRODUCED TECHNOLOGIES THAT HAVE CONTRIBUTED DIRECTLY TO IC MISSIONS. TECHNOLOGY DELIVERED BY IQT, FOR EXAMPLE, MAKES IT POSSIBLE TO FUSE DATA FROM MAPS, IMAGES, TEXT AND OTHER SOURCES; VISUALIZE INFORMATION IN WAYS NOT PREVIOUSLY POSSIBLE; RAPIDLY PROCESS VAST AMOUNTS OF INFORMATION IN MULTIPLE LANGUAGES; MAKE SENSE OF SEEMINGLY UNCONNECTED INFORMATION; AND IDENTIFY THE

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
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ATTACHMENT 1 (CONT'D)

CRITICAL INTELLIGENCE FASTER AND MORE EFFECTIVELY.

2. CULTIVATED A NETWORK OF MORE THAN 200 VENTURE CAPITAL FIRMS, 100 LABS AND RESEARCH ORGANIZATIONS, FURTHER BROADENING THE IC'S ACCESS TO INNOVATIVE TECHNOLOGIES.

3. ESTABLISHED LAB41, A CHALLENGE LAB TO EXPLORE BIG DATA PROBLEMS THAT IMPACT THE INTELLIGENCE COMMUNITY AND NATIONAL SECURITY.

4. LEVERAGED MORE THAN \$8.9 BILLION IN PRIVATE-SECTOR FUNDS TO SUPPORT TECHNOLOGY FOR THE CIA AND THE IC.

GOVERNANCE AND OVERSIGHT:

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

IQT IS A PRIVATE, INDEPENDENT, NOT-FOR-PROFIT CORPORATION. IQT IS NOT PART OF THE CIA AND IS NOT A GOVERNMENT AGENCY. HOWEVER, IQT IS PARTY TO AND BOUND BY A CHARTER AGREEMENT AND ANNUAL CONTRACTS WITH THE CIA. THESE AGREEMENTS PROVIDE FOR APPROPRIATE INSIGHT AND OVERSIGHT OF IQT BY THE GOVERNMENT.

THE CIA KEEPS CONGRESS INFORMED OF THE COMPANY'S ACTIVITIES.

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
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ATTACHMENT 1 (CONT'D)

IQT HAS BEEN THE FOCUS OF A NUMBER OF STUDIES THAT DESCRIBE AND REVIEW THE ORGANIZATION. TWO ARE CITED BELOW.

\* BUSINESS EXECUTIVES FOR NATIONAL SECURITY (BENS) (JUNE 2001  
WWW.BENS.ORG)

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

\* "HARVARD BUSINESS SCHOOL CASE STUDY" BY JOSH LERNER, FELDA HARDYMON, KEVIN BOOK, ANN LEAMON FEBRUARY 12, 2004  
([HTTP://HARVARDBUSINESSONLINE.HBSP.HARVARD.EDU/B02/EN/CASES/CASES\\_HOME.JHTML](http://HARVARDBUSINESSONLINE.HBSP.HARVARD.EDU/B02/EN/CASES/CASES_HOME.JHTML))

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

IN ADDITION, IQT HAS PARTICIPATED IN REVIEWS BY THE CIA'S INSPECTOR GENERAL OFFICE AND THE U.S. SENATE SELECT COMMITTEE ON INTELLIGENCE TO ASSESS THE EFFECTIVENESS OF TECHNOLOGY SOLUTIONS

Name of the organization IN-Q-TEL, INC.	Employer identification number 52-2149962
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ATTACHMENT 1 (CONT'D)

FROM ITS INVESTMENTS IN SOLVING CHALLENGING PROBLEMS IN THE  
INTELLIGENCE COMMUNITY.

ATTACHMENT 2990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
LMS 1 FRONT ST., SUITE 2700 SAN FRANCISCO, CA 94111	TECH. DEVELOPMENT	2,136,238.
PLATFORA INC 1300 S EL CAMINO REAL, 6TH FLOOR SAN MATEO, CA 94402	TECH. DEVELOPMENT	1,979,468.
PROTONEX TECHNOLOGY CORPORATION 153 NORTHBORO ROAD SOUTHBOROUGH, MA 01772	TECH. DEVELOPMENT	1,532,000.
EXPECT LABS INC 251 KEARNY STREET, SUITE 400 SAN FRANCISCO, CA 94108	TECH. DEVELOPMENT	1,491,031.
SWI 408 E. PLUMERIA DRIVE SAN JOSE, CA 95134	TECH. DEVELOPMENT	1,450,000.

SCHEDULE R (Form 990)

Related Organizations and Unrelated Partnerships

Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

Attach to Form 990.

Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Name of the organization

IN-Q-TEL, INC.

Employer identification number

52-2149962

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33

Table with 6 columns: (a) Name, address, and EIN; (b) Primary activity; (c) Legal domicile; (d) Total income; (e) End-of-year assets; (f) Direct controlling entity. Row 1: LAB 41, LLC, 46-1185334, ARLINGTON, VA 22216, CA, 0, 0, IN-Q-TEL.

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

Table with 7 columns: (a) Name, address, and EIN; (b) Primary activity; (c) Legal domicile; (d) Exempt Code section; (e) Public charity status; (f) Direct controlling entity; (g) Section 512(b)(13) controlled entity? (Yes/No).

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

Schedule R (Form 990) 2014

**Part III** Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) IQT EMPL FUND, LLC 54-2043626 PO BOX 749 ARLINGTON, VA 22216	INVESTMENTS	DE	N/A	EXCLUDED	31,133	990,465		X			X	27.1358
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

**Part IV** Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									



Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

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

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, or (iv) rent from a controlled entity.

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses.

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related 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

Table with columns Yes, No and rows 1a through 1s for transaction types.

Main table with columns (a) Name of related organization, (b) Transaction type (e-s), (c) Amount involved, (d) Method of determining amount involved.

**Part VI** Unrelated Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships

(1)	(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
					Yes	No			Yes	No		Yes	No	
(1)														
(2)														
(3)														
(4)														
(5)														
(6)														
(7)														
(8)														
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(10)														
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(12)														
(13)														
(14)														
(15)														
(16)														

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**Part VII** **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

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