

Return of Organization Exempt From Income Tax

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

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

Department of the Treasury Internal Revenue Service

A For the 2002 calendar year, or tax year beginning 04/01, 2002, and ending 03/31/2003

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: IN-Q-TEL, INC. D Employer identification number: 52-2149962. E Telephone number: (703) 248-3000. F Accounting method: Cash, Accrual, Other (specify).

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes" enter number of affiliates N/A

H(c) Are all affiliates included? Yes No

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Enter 4-digit GEN N/A

M Check if the organization is not required to attach Sch B (Form 990 990-EZ or 990-PF)

G Web site HTTP://IN-Q-TEL.ORG

J Organization type (check only one) 501(c)(3) 4947(a)(1) or 527

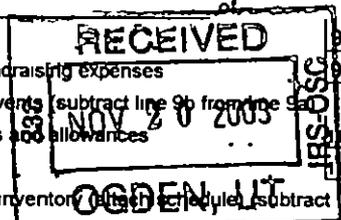
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 31,211,127.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 10a Gross sales of inventory, less returns and allowances; 10b Less cost of goods sold; 10c Gross profit or (loss) from sales of inventory; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

RECORDED DEC 13 2003



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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 21 of the instructions.)

Table with 5 columns: Description, (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include 22 Grants and allocations, 23 Specific assistance, 24 Benefits paid, 25 Compensation of officers, 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation depletion etc, 43 Other expenses not covered above, 44 Total functional expenses.

Joint Costs Check [] if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [X] No

If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A, (ii) the amount allocated to Program services \$ N/A,

(iii) the amount allocated to Management and general \$ N/A, and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See page 24 of the instructions)

What is the organization's primary exempt purpose? STMT 5

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)

Table with 2 columns: Description, Program Service Expenses. Rows include a SEE STATEMENT 5, b (Grants and allocations \$ 22,762,316), c (Grants and allocations \$), d (Grants and allocations \$), e Other program services, f Total of Program Service Expenses (should equal line 44, column (B), Program services) 22,762,316

Part IV Balance Sheets (See page 24 of the instructions)

Note		Where required attached schedules and amounts within the description column should be for end-of-year amounts only		(A)		(B)	
				Beginning of year		End of year	
Assets	45	Cash - non-interest-bearing		NONE	45		NONE
	46	Savings and temporary cash investments	STMT 1	19,431,368	46	29,354,144	
	47a	Accounts receivable	47a	NONE			
		b Less allowance for doubtful accounts	47b		NONE	47c	NONE
	48a	Pledges receivable	48a				
		b Less allowance for doubtful accounts	48b			48c	
	49	Grants receivable		9,440,000	49	13,886,630	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50		
	51a	Other notes and loans receivable (attach schedule)	51a	NONE			
		b Less allowance for doubtful accounts	51b		75,354	51c	NONE
	52	Inventories for sale or use			52		
	53	Prepaid expenses and deferred charges		315,962	53	644,688	
	54	Investments - securities (attach schedule) STMT 6 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		4,424,477	54	3,013,361	
	55a	Investments - land, buildings, and equipment basis	55a				
		b Less accumulated depreciation (attach schedule)	55b			55c	
56	Investments - other (attach schedule)	STMT 7	36,498	56	40,539		
57a	Land, buildings, and equipment basis STMT 6A	57a	3,333,959				
	b Less accumulated depreciation (attach schedule)	57b	2,349,344	1,497,397	57c	984,615	
58	Other assets (describe <input type="checkbox"/> STMT 8)		29,562	58	29,562		
59	Total assets (add lines 45 through 58) (must equal line 74)		35,250,618	59	47,953,539		
Liabilities	60	Accounts payable and accrued expenses		5,329,820	60	7,253,534	
	61	Grants payable			61		
	62	Deferred revenue	STMT 1	25,258,305	62	36,705,081	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax-exempt bond liabilities (attach schedule)			64a		
		b Mortgages and other notes payable (attach schedule)			64b		
65	Other liabilities (describe <input type="checkbox"/>)			65			
66	Total liabilities (add lines 60 through 65)		30,588,125	66	43,958,615		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74						
	67	Unrestricted		4,662,493	67	3,994,924	
	68	Temporarily restricted			68		
	69	Permanently restricted			69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74						
	70	Capital stock, trust principal, or current funds			70		
	71	Paid-in or capital surplus, or land, building, and equipment fund			71		
	72	Retained earnings, endowment, accumulated income, or other funds			72		
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		4,662,493	73	3,994,924	
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)		35,250,618	74	47,953,539	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information (See page 27 of the instructions)

Table with columns for question number, question text, and Yes/No columns. Includes questions 76 through 92 regarding organizational activities, financials, and tax status.

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			18	-43,408	
100 Gain or (loss) from sales of assets other than inventory			18	-99,130	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				-142,538	
105 Total (add line 104, columns (B) (D) and (E))					-142,538

Note Line 105 plus line 1d Part I should equal the amount on line 12 Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 32 of the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	N/A

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

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: [Signature] Date: 11/14/03

Type or print name and title: MICHAEL D. GRIFFIN

Paid Preparer's Use Only

Preparer's signature: [Signature] Date: 11/13/03 Check if self employed: Preparer's SSN or PTIN (See Gen. Inst. W):

Firm's name (or yours if self-employed): PRICEWATERHOUSECOOPERS LLP EIN: 13-4008324

address and ZIP + 4: 1301 K STREET NW, SUITE 800W Phone no: 20005-3333 (202) 414-1000

WASHINGTON, D.C.

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information - (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2002

Name of the organization

IN-Q-TEL, INC

Employer identification number

52-2149962

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one If there are none, enter "None ")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE STATEMENT 11		1,232,898.	85,186	2,448
Total number of other employees paid over \$50,000 ▶	27			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 12		5,745,715.
Total number of others receiving over \$50,000 for professional services ▶	38	

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

Schedule A (Form 990 or 990-EZ) 2002

JSA
2E1210 1 000

Part III Statements About Activities (See page 2 of the instructions)

	Yes	No
1 During the year has the organization attempted to influence national state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i or Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		X
2 During the year, has the organization, either directly or indirectly engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit? STMT 9		X
c Furnishing of goods, services, or facilities?	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . FORM 990, PART V	X	
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships fellowships student loans etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions)

The organization is not a private foundation because it is (Please check only ONE applicable box)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

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

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

Table with columns: Calendar year (or fiscal year beginning in), (a) 2001, (b) 2000, (c) 1999, (d) 1998, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends, amounts received from payments on securities loans; 19 Net income from unrelated business activities not included in line 18; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11; 27 Organizations described on line 12.

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not file this list with your return Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

- Check a if the organization belongs to an affiliated group
 Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is -	41	
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000		
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities **NOT APPLICABLE**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

During the year did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

FOR THE TAX YEAR ENDED MARCH 31, 2003

FORM 990, PART IV, LINES 46 & 62

FOR THE REPORTING PERIOD ENDING MARCH 31, 2003, THE TAXPAYER WAS OBLIGATED TO UTILIZE ALL INTEREST EARNED ON CASH RECEIVED UNDER CONTRACT WITH THE CENTRAL INTELLIGENCE AGENCY FOR THE SUPPORT OF SCIENTIFIC RESEARCH OR EDUCATION IN PURSUIT OF THE TAXPAYER'S MISSION INTEREST IN THE AMOUNT OF \$366,432 WAS RECEIVED DURING THE REPORTING PERIOD AND HAS BEEN INCLUDED AS DEFERRED REVENUE ON THE BALANCE SHEET

FORM 990, PART I - OTHER INVESTMENT INCOME

DESCRIPTION

AMOUNT

LOSS ON EQUITY INVESTMENT IN IN-Q-TEL
EMPLOYEE FUND, LLC

-43,408.

TOTAL

-43,408.

IN-Q-TEL, INC.

52-2149962

FOR THE TAX YEAR ENDED MARCH 31, 2003

FORM 990, PART I, LINE 8C

WRITE OFF OF A CORPORATION WARRANT (SERIES B-1 PREFERRED)
THAT WAS NEVER EXERCISED.

ACQUISITION DATE 06/28/2002
EXPIRATION DATE 12/28/2002

PROCEEDS \$ 0
BASIS \$988

NET LOSS \$988

WRITE OFF OF NOTE RECEIVABLE. CORPORATION SIGNED A LINE OF
CREDIT FOR UP TO \$100,000, AND DREW \$98,142 PRIOR TO GOING
BANKRUPT.

ACQUISITION DATE 03/04/2002
WRITE OFF DATE 09/23/2002

PROCEEDS \$ 0
BASIS \$98,142

NET LOSS \$98,142

TOTAL PROCEEDS FROM ASSET DISPOSITIONS \$ 0
TOTAL BASIS OF ASSET DISPOSED \$99,130

TOTAL NET LOSS FROM ASSET DISPOSITIONS \$99,130

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

DESCRIPTION

AMOUNT

UNREALIZED LOSS ON INVESTMENTS

2,279,377.

TOTAL

2,279,377.

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL
DUES AND SUBSCRIPTIONS	12,326.	1,433.	10,893.
PROFESSIONAL FEES	353,809.	36,191.	317,618.
RECRUITING, HR, PLACEMENT FEES	122,567.		122,567.
INSURANCE	558,140.	40,296.	517,844.
MISCELLANEOUS	7,381.	9.	7,372.
TEMPORARY HELP	10,838.	1,751.	9,087.
LICENSES AND PERMITS	69,312.		69,312.
RESEARCH MATERIALS	167,677.	149,079.	18,598.
PROJECT EXPENSE	14379159.	14379159.	
EQUIPMENT EXPENSE	432,368.	127,389.	304,979.
TOTALS	16113577.	14735307.	1,378,270.

March 31, 2003

Form 990, Part III, Statement of Program Service Accomplishments

In-Q-Tel, Inc is a private, independent non-profit 501(c)(3) corporation funded by the U S Central Intelligence Agency (CIA) Launched in February 1999¹, its mission is to identify and deliver cutting edge technologies that solve some of the most difficult problems facing the U S Intelligence Community (IC) In particular, In-Q-Tel's goal is to increase the CIA's access to new commercial technologies that have the potential to assist its critical national security missions

Identify new sources of technology: Working from a dynamic strategic blueprint that defines CIA's critical technology needs, In-Q-Tel reaches out to a wide variety of technology innovators, many of whom have traditionally not done business with the government In-Q-Tel engages with entrepreneurs, established companies, researchers, universities and venture capitalists to gain early access to new technology solutions and new ideas, and ultimately to deliver technologies that provide superior capabilities to the CIA

Leverage commercial technology in support of its mission: To achieve its goals, In-Q-Tel forges strategic relationships with innovative companies by using product development funding as well as approaches typically identified with the venture capital community, including equity investments By engaging at a strategic level as an investor In-Q-Tel gains early access to emerging technologies, and creates incentives for companies to put their best talent against solving the problems of the CIA and the IC Through work programs and market guidance, In-Q-Tel fosters the development of commercially viable technologies that also address critical mission challenges of the IC And by leveraging larger third party commercial investments, In-Q-Tel is able to accelerate the development of needed technology, and ultimately reduce the overall cost to the CIA

Through In-Q-Tel, and its leveraging of commercial resources and markets, new technology solutions of value to the CIA can be fostered without the CIA funding the entire cost of developing, monitoring and updating the technology By engaging in these activities, In-Q-Tel is working to lessen the burdens of government by enabling the CIA to access, in a rapid and cost effective manner, cutting edge technology solutions today and in the future

Assistance in delivering technology solutions: In-Q-Tel works directly with the In-Q-Tel Interface Center (QIC), a CIA office staffed by senior CIA personnel, which is responsible for transferring solutions into the CIA In-Q-Tel supports the QIC with subject matter expertise, technical assistance, solution transfers of technologies and technical trend assessments

Program Accomplishments

As of March 31, 2003, In-Q-Tel completed more than three and a half years in full operation, identifying and delivering new technologies in support of its mission

In addition to serving CIA, In-Q-Tel broadened its work with the Intelligence Community by taking on the National Imagery and Mapping Agency (NIMA) as a limited partner The business challenges and technology needs of NIMA and CIA overlap significantly In working with NIMA, In-Q-Tel leverages both NIMA and CIA dollars to deliver technologies to both organizations at a lower cost The first technology delivery for NIMA took place in early 2003, and was deployed to support the Pentagon in Operation Iraqi Freedom NIMA funding in this reporting period totaled approximately \$2M

During this reporting period, In-Q-Tel's outreach to new sources of technology yielded approximately 1380 business plans for the period from April 1, 2002 through March 31, 2003

¹ In-Q-Tel was first incorporated on February 17, 1999 under the name "Peleus, Inc." In July, 1999 its name was changed to "In-Q-It, Inc.," and in January 2000 its name was changed to "In-Q-Tel, Inc."

As an indicator of the reach of In-Q-Tel's program, In-Q-Tel estimates that more than 75% of the companies submitting proposals had not done business with government before

In-Q-Tel also continued to provide Agency customers with expert advice and guidance on issues relating to technology and architecture, offering alternative insights to assist planning and decision-making

During the reporting period, of the \$31,254,535 in revenue (ref Part I, line 1d), \$23,631,566 was focused on programs to identify, develop and deliver technologies to its customer

In furtherance of its exempt purposes, In-Q-Tel's achievements included the following

1) Identified new sources of technology in support of its mission

- a Access to new technology Since inception, In-Q-Tel has attracted and reviewed approximately 3187 business plans from technology companies
- b Outreach In-Q-Tel continued to build its outreach program which consists of networking with venture capital funds and public/private research institutions, as well as targeted media coverage and speaking events, and a public web site Outreach accomplishments include expanding its technology outreach network to include more than 200 venture funds, 33 corporations and 17 research initiatives
- c Technology Market Assessment In-Q-Tel executed comprehensive technology baseline research to provide a platform for technology sourcing, evaluation and investment and provided insight into commercial market developments, trends and opportunities
- d Academic Outreach To enhance In-Q-Tel's access to technologies developed in academia, In-Q-Tel initiated an University Outreach program that identifies important technologies from the world's leading academic centers that can then be transferred into companies for commercial development and to the CIA and other members of the Intelligence Community

2) Leveraged commercial technology to foster solutions in support of its mission

In-Q-Tel added 14 new technology companies to its portfolio of solution providers, increasing the total number of active companies to 21 These companies offer new technology capabilities in areas of In-Q-Tel's focus In total, In-Q-Tel's portfolio is estimated to leverage more than \$300M in private third party investments

Third Party Review

At the direction of the U S Congress, In-Q-Tel underwent an intensive third party review conducted by a Panel of the Business Executives for National Security (BENS), between fall 2000 and spring 2001

In its 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," the Panel examined the In-Q-Tel business model, operational, employee compensation and financial considerations, technology issues, legal formation, intellectual property rights, and future challenges

The Panel's overall assessment of In-Q-Tel was that "the In-Q-Tel business model makes sense and its progress to date is impressive for a two-year-old venture. In-Q-Tel should continue to serve as the CIA's 'technology accelerator' " *(A complete copy of the report is available at www.bens.org)*

In-Q-Tel has also been reviewed by the CIA's Office of the Inspector General Audit Staff and the Survey's and Investigation Staff of the House of Representatives Appropriations Committee

FORM 990, PART IV - INVESTMENTS - SECURITIES
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
PREFERRED STOCK	1,893,655.
COMMON STOCK	10,617.
WARRANTS - PREFERRED	875,679.
WARRANTS - COMMON	233,410.

TOTALS	3,013,361. =====

FORM 990, PART II, LINE 42 (DEPRECIATION) & LINE 57 (FIXED ASSETS)

COMPUTER EQUIPMENT	1,311,232
FURNITURE AND FIXTURES	234,756
LEASEHOLD IMPROVEMENTS	1,340,357
OFFICE EQUIPMENT	447,614
TOTAL	<u>3,333,959</u>
LESS: ACCUMULATED DEPRECIATION	<u>(2,349,344)</u>
	<u>984,615</u>
DEPRECIATION EXPENSE	<u>767,849</u>

Depreciation is calculated for each asset using the straight-line method over the assets' useful lives.

FORM 990, PART IV - INVESTMENTS - OTHER

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DESCRIPTION	ENDING BOOK VALUE
-----	-----
INVESTMENT IN IN-Q-TEL EMPLOYEE FUND, LLC	40,539.
TOTALS	----- 40,539. =====

FORM 990, PART IV - OTHER ASSETS

DESCRIPTION	ENDING BOOK VALUE
-----	-----
SECURITY DEPOSITS	29,562.
TOTALS	----- 29,562. =====

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

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

Form 990 Part V List of Officers, Directors, Trustees and Key Employees

52-2149982

Name and Address MLI, well devolvd to boathon	Title and average hours MLI, well devolvd to boathon	Wages	Bonus	Employee Investment Program (Non-Cash) (EIP) (5)		Trustee Fees (1)	Total Compensation	Expense account and other allowances	
				2002	(5)			Housing (3)	Other (4)
G. Louis c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	CEO 40 Hrs/Wk	378,657	221,738	100,361	(5)	N/A	704,758	80,000	3,300
M. Griffin c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	President & COO 40 Hrs/Wk (Part Year)	187,385	15,000	79,182		N/A	281,567	N/A	3,300
R. Richard c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	Chief Operating Officer 40 Hrs/Wk (Part Year)	179,737	118,843	8,945		N/A	305,526	N/A	1,100
S. Merdel c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	Executive Vice President 40 Hrs/Wk	282,147	117,387	83,798		N/A	483,333	N/A	N/A
B. Adams c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	General Counsel, Board Secretary 40 Hrs/Wk	229,887	33,747	81,466		N/A	345,080	N/A	1,620
J. Dorman c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	Senior Vice President, Technology 40 Hrs/Wk	189,194	28,488	83,798		N/A	301,478	N/A	1,620
E. Kaufmann c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	Vice President 40 Hrs/Wk	179,815	65,728	83,798		N/A	329,341	N/A	N/A
M. Tynski c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	CFO, Vice President, Finance & Board Treasurer 40 Hrs/Wk	185,256	47,458	67,123		N/A	299,835	N/A	1,620
K. von Eckhardt c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	Vice President, Strategy & Communications 40 Hrs/Wk	142,226	22,501	57,589		N/A	222,315	N/A	1,620
N. Kaplan c/o In-Q-Tel, Inc. PO Box 12407 Arlington, VA 22219	Vice President, Human Resources 40 Hrs/Wk	130,577	20,903	59,749		N/A	211,230	N/A	1,620

(1) See Statement 108 (Board of Trustees Compensation)
 (2) See Statement 108 (Benefits) for description of benefit plans included in this column
 (3) For living expenses incurred in support of In-Q-Tel's operational operations.
 (4) Commuter benefits. See Statement 108 (Benefits)
 (5) Mr. Louis has donated all of his interest in the Employee Investment Program to the CIA Officers Memorial Foundation, a public charity recognized as tax-exempt under Section 501(c)(3). In the name of Mr. Louis and his spouse.

For the Tax Year Ending March 31, 2003
IN-Q TEL, INC

Form 990 Part V List of Officers, Directors, Trustees and Key Employees (continued)

Name and Address	Title and average hours per week devoted to position	Wages	Compensation		Trustee Fees (1)	Total Compensation	Contributions to employee benefit plans & deferred compensation (2)	Expense account and other allowances	
			Bonus (1)	Employee Investment Program (Non-Cash) (EIP) (3)				Housing (3)	Other (4)
L. Aull c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Chairman, Board of Trustees & Committee Chairman 15 Hrs/Quarter	N/A	N/A	N/A	40,000	40,000	None	None	None
P. Kaminski c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee Vice President 15 Hrs/Quarter	N/A	N/A	N/A	37,500	37,500	None	None	None
N. Augustine c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee 15 Hrs/Quarter	N/A	N/A	N/A	None	None	None	None	None
J. Kim c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee 15 Hrs/Quarter	N/A	N/A	N/A	None	None	None	None	None
M. Crow c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Vice-Chairman, Board of Trustees & Committee Chairman 15 Hrs/Quarter	N/A	N/A	N/A	37,500	37,500	None	None	None
J. Seely Brown c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee 15 Hrs/Quarter	N/A	N/A	N/A	35,000	35,000	None	None	None
S. Friedman c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee & Committee Chairman 15 Hrs/Quarter Resigned during the year	N/A	N/A	N/A	None	None	None	None	None
A. Mandl c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee 15 Hrs/Quarter Resigned during the year	N/A	N/A	N/A	None	None	None	None	None
A. Jones c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee 15 Hrs/Quarter Part Year	N/A	N/A	N/A	8,750	8,750	None	None	None
J. McMahon c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee & Committee Chairman 15 Hrs/Quarter	N/A	N/A	N/A	None	None	None	None	None
W. Perry c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee 15 Hrs/Quarter	N/A	N/A	N/A	35,000	35,000	None	None	None
H. Cox c/o IN-Q Tel, Inc PO Box 19407 Arlington, VA 22219	Trustee & Committee Chairman 15 Hrs/Quarter	N/A	N/A	N/A	37,500	37,500	None	None	None
	Total	2,082,062	691,799	709,810	231,250	3,715,911	180,490	80,000	15,800

(1) See Statement 10B (Board of Trustees Compensation).
 (2) See Statement 10B (Benefits) for description of benefit plans included in this column.
 (3) For more expenses incurred in support of IN-Q Tel's in-coastal operations.
 (4) Committee benefits. See Statement 10B (Benefits).
 (5) Mr. Lurie has donated all of the interest in the Employee Investment Program to the CIA's Officers Memorial Foundation, a public charity recognized as tax-exempt under section 501(c)(13) in the name of Mr. Lurie and his spouse.

For the Tax Year Ending March 31, 2003

Form 990, Part V and Schedule A, Part I – Compensation of Officers, Trustees, Key Employees and Five Highest Paid Employees

In-Q-Tel's mission is to deliver leading-edge information technologies to the CIA and the Intelligence Community by investing in technologies that are beneficial to the security of the United States. In order to effectively perform this job, In-Q-Tel hires employees with highly differentiated skills and credentials. In-Q-Tel must attract, retain and reward employees (based on performance) from the industries and talent pools aligned with the mission of In-Q-Tel. This requires a mix of employees from the private equity, financial services, high technology and general industry markets. Compensation programs and policies necessarily are modeled after those found in these markets and are designed to encourage employees to achieve against goals. The highly specialized talents necessary to meet the needs of the business are typically not found in other not-for-profit organizations.

As a non-profit 501(c)(3) organization, In-Q-Tel is responsible under Internal Revenue Code of 1986, as amended ("Code")¹, to pay reasonable compensation to In-Q-Tel's employees and to avoid any "excess benefit transactions"

In fulfilling its obligations under the Code, the compensation plan was developed to pay appropriately and in doing so incentivize employees to perform to achieve mission goals. The Human Resources and Compensation Committee of the Board of Trustees is responsible for the ongoing oversight over the administration of compensation at In-Q-Tel.

Compensation Programs

In-Q-Tel's compensation program consists of

- Base Salary (annual increases are based on survey market data and individual performance)
- Annual Incentive Program (based solely on performance)
- Employee Investment Program (long-term incentive, indicator of long-term performance success)

Base Salary

Base salary is determined based on relevant market data in appropriate industries and reviewed by independent outside consultants.

Annual Incentive Plan

The annual incentive plan is based solely on performance. It is designed to focus, motivate and reward In-Q-Tel employees for the achievement of specific annual goals and outcomes that advance the success of In-Q-Tel in carrying out its mission for the CIA and the Intelligence community.

¹ As provided under section 4958 of the Code

Employees "target" bonus is based on market survey data for comparable positions in comparable industries. An employee's annual incentive is tied to performance and is based on an annual "Performance Score" which rates In-Q-Tel's overall performance, and a scoring of the individual's performance.

In-Q-Tel's score is based on the Company's achievements during the relevant fiscal year as determined by the Board of Trustees and advised by an annual review provided by the CIA's In-Q-Tel Interface Center. Individual scores are recommended by the employee's managers, and approved by Human Resources and the CEO (in the case of the CEO, by the Board of Trustees).

Employee Incentive Program (EIP)

Purpose. The Employee Incentive Program (EIP) was established after March 31, 2001. The EIP is non-cash, taxable compensation that funds side-by-side investments in In-Q-Tel's portfolio companies. This long-term incentive creates positive incentives that benefit the mission by aligning employees' interests with the overall success of In-Q-Tel's programs and mission.

As a non-profit Corporation, non-stock entity, In-Q-Tel is unable to offer stock or stock options on terms similar to the equity-based compensation of competitive publicly traded companies. The EIP provides, on an after-tax basis, a means by which the Company can offer a long-term employee investment program and provides employees a compelling stake in the Company's programs, sharing both the risk and the benefits.

The outcome of In-Q-Tel's investments in, and contracts with, its portfolio companies is a long-term index of In-Q-Tel's success in serving the CIA and the Intelligence Community. Therefore, the EIP has the effect of aligning the interests of In-Q-Tel and its employees with the long-term goals of the Agency and the Intelligence Community.

Each employee's interest in the EIP is calculated within guidelines set for their overall compensation, based on survey data from comparable industries. The value allocated to employees is taxable compensation income and the EIP covers applicable federal and state income taxes for which the employee is responsible.

Benefits

The Company offers life insurance, short and long-term disability, a 401(k) Safe Harbor plan and commuter benefits.

Board of Trustees Compensation

Trustees fees paid in this Reporting Period were paid pursuant to a plan approved by a Committee of Trustees (whose members have waived compensation), with advice of outside compensation consultants and legal counsel as to reasonableness. In addition to the members of the committee, several other Trustees have waived compensation.

FORM 990 Schedule A, Part I - Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

Name and Address	Title and average hours per week devoted to position	Compensation				Total Compensation	Contributions to employee benefit plans & deferred compensation (2)	Expense account and other allowances (3)
		Wages	Bonus	Employee Investment Program (EIP) (Non-Cash) (1)	2002			
A Halliday c/o In-Q Tel Inc PO Box 12407 Arlington VA 22219	Entrepreneur in Residence 40 Hrs/Wk	252,444	84,042	23,188	359,673	16,525		
J Addiego c/o In-Q Tel Inc PO Box 12407 Arlington VA 22219	Portfolio Manager/Partner 40 Hrs/Wk	174,355	22,975	71,827	269,157	19,553		
C Wallace c/o In-Q Tel Inc PO Box 12407 Arlington VA 22219	Director of Technology Transfer & Project Management 40 Hrs/Wk	138,950	23,522	55,585	218,057	19,195	816	
G Pepus c/o In-Q Tel Inc PO Box 12407 Arlington VA 22219	Portfolio Manager/Director of IC Markets 40 Hrs/Wk	139,515	10,887	46,427	196,829	17,802	816	
K Cook c/o In-Q Tel Inc PO Box 12407 Arlington VA 22219	Director of Technology Assessment 40 Hrs/Wk	123,313	16,799	49,070	189,181	12,110	816	
	Total	828,575	158,225	246,097	1,232,898	85,186	2,448	

(1) The EIP is non-cash taxable compensation that funds side-by-side investments in In-Q-Tel's portfolio companies

See Statement 10B (Employee Investment Plan)

(2) See Statement 10B (Benefits) for description of benefit plans included in this column

(3) Commuter benefits See Statement 10B (Benefits)

Total number of other employees paid over \$50,000

FORM 990 Schedule A, Part II - Compensation of the Five Highest Paid Independent Contractors for Professional Services

Name	Address	Service	Amount
Attensley Corporation	Sunnyvale, CA	Work Program	\$1,378,987 37
Qynergy Corporation	Albuquerque, NM	Work Program	\$1,435,102 00
Graviton, Inc	La Jolla, CA	Work Program	\$1,125,614 42
Stratify, Inc	Mountain View, CA	Work Program	\$913,814 80
Arnold & Porter	Washington, DC	Legal	\$892,195 92

Total number of other contractors paid over \$50,000 38

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
 - If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form)
- Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time — Only submit original (no copies needed)

Note Form 990-T corporations requesting an automatic 6-month extension — check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns
 Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization IN-Q-TEL, INC	Employer identification number 52-2149962
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions P.O. BOX 12407	
	City, town or post office, state and ZIP code. For a foreign address, see instructions ARLINGTON, VA 22219	

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group check this box and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until NOVEMBER 17 2003, to file the exempt organization return for the organization named above. The extension is for the organization's return for

▶ calendar year 20__ or

▶ tax year beginning APRIL 1 2002, and ending MARCH 31 2003

2 If this tax year is for less than 12 months check reason Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ N/A

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ N/A

c Balance Due Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ N/A

Signature and Verification

Under penalties of perjury I declare that I have examined this form including accompanying schedules and statements and to the best of my knowledge and belief it is true, correct, and complete and that I am authorized to prepare this form.

Signature Title ▶ **TAX PREPARER** Date ▶ **8/14/03**

or Paperwork Reduction Act Notice, see Instruction

Form **8868** (12-2000)