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 black lung benefit trust or private foundation)

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

OMB No 1545-0047

2002

Open to Public Inspection

A For the 2002 calendar year, or tax year period beginning and ending

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return ☐ Amended return ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: THE INSTITUTE FOR FINANCIAL MARKETS

Number and street (or P O box if mail is not delivered to street address): 2001 PENNSYLVANIA AVENUE, N.W. Room/suite: 600

City or town, state or country, and ZIP + 4: WASHINGTON, DC 20006-1807

D Employer identification number: 52-1634508

E Telephone number: (202)223-1528

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 ▶

H(c) Are all affiliates included? N/A ☐ Yes ☐ No (If "No," attach a list.)

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

G Web site ▶HTTP://WWW.THEIFM.ORG

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

I Enter 4-digit GEN ▶

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**

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,067,901.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	220,667.		
	b	Indirect public support	1b	80,000.		
	c	Government contributions (grants)	1c			
	d	**Total** (add lines 1a through 1c) (cash $ 300,667. noncash $)			1d	300,667.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	762,325.
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	
	5	Dividends and interest from securities			5	4,909.
	6 a	Gross rents	6a			
	b	Less rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	
	7	Other investment income (describe ▶)			7	
	8 a	Gross amount from sale of assets other than inventory — (A) Securities / (B) Other	8a			
	b	Less cost or other basis and sales expenses	8b			
	c	Gain or (loss) (attach schedule)	8c			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	
	9	Special events and activities (attach schedule)				
	a	Gross revenue (not including $ of contributions reported on line 1a)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c	
	10 a	Gross sales of inventory, less returns and allowances	10a			
	b	Less cost of goods sold	10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
	11	Other revenue (from Part VII, line 103)			11	
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	1,067,901.
Expenses	13	Program services (from line 44, column (B))			13	822,063.
	14	Management and general (from line 44, column (C))			14	364,766.
	15	Fundraising (from line 44, column (D))			15	
	16	Payments to affiliates (attach schedule)			16	
	17	**Total expenses** (add lines 16 and 44, column (A))			17	1,186,829.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	<118,928.>
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	984,613.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 1			20	<38,317.>
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	827,368.

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223001 01 22-03 LHA **For Paperwork Reduction Act Notice, see the separate instructions** G13 Form 990 (2002)

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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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) cash $ noncash $	22				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc	25	134,640.	55,550.	79,090.	0.
26 Other salaries and wages	26	364,085.	297,546.	66,539.	
27 Pension plan contributions	27	21,346.	19,320.	2,026.	
28 Other employee benefits	28	39,623.	27,537.	12,086.	
29 Payroll taxes	29	39,574.	27,791.	11,783.	
30 Professional fundraising fees	30				
31 Accounting fees	31	19,631.		19,631.	
32 Legal fees	32	7,721.		7,721.	
33 Supplies	33	3,240.	993.	2,247.	
34 Telephone	34	13,281.	11,951.	1,330.	
35 Postage and shipping	35	36,607.	26,248.	10,359.	
36 Occupancy	36	69,087.		69,087.	
37 Equipment rental and maintenance	37	8,873.	844.	8,029.	
38 Printing and publications	38	120,954.	118,984.	1,970.	
39 Travel	39				
40 Conferences, conventions, and meetings	40	69,622.	58,667.	10,955.	
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	9,203.		9,203.	
43 Other expenses not covered above (itemize)					
a	43a				
b	43b				
c	43c				
d	43d				
e SEE STATEMENT 2	43e	229,342.	176,632.	52,710.	
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13 15	44	1,186,829.	822,063.	364,766.	0.

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 ☒ No

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

(iii) the amount allocated to Management and general $ ______ , and (iv) the amount allocated to Fundraising $ ______

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ▶

PUBLIC EDUCATION

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.)
a EDUCATIONAL & RESEARCH MATERIALS, INCLUDING PRODUCT DEVELOPMENT. SEE STATEMENT 6 (Grants and allocations $)	226,911.
b ETHICS TRAINING SEE STATEMENT 6 (Grants and allocations $)	334,566.
c DATA CENTER SEE STATEMENT 6 (Grants and allocations $)	67,768.
d OTHER SEMINARS AND COURSES SEE STATEMENT 6 (Grants and allocations $)	93,385.
e Other program services (attach schedule) STATEMENT 3 (Grants and allocations $)	99,433.
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	822,063.

Part IV Balance Sheets

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only*			(A) Beginning of year		(B) End of year
Assets					
45	Cash - non-interest bearing		8,575.	45	8,880.
46	Savings and temporary cash investments		788,712.	46	784,362.
47 a	Accounts receivable	47a 116,648.			
b	Less allowance for doubtful accounts	47b 6,398.	303,111.	47c	110,250.
48 a	Pledges receivable	48a			
b	Less allowance for doubtful accounts	48b		48c	
49	Grants receivable			49	
50	Receivables from officers, directors, trustees, and key employees			50	
51 a	Other notes and loans receivable	51a			
b	Less allowance for doubtful accounts	51b		51c	
52	Inventories for sale or use		42,865.	52	23,561.
53	Prepaid expenses and deferred charges		18,699.	53	13,755.
54	Investments - securities ▶ ☐ Cost ☐ FMV			54	
55 a	Investments - land, buildings, and equipment basis	55a			
b	Less accumulated depreciation	55b		55c	
56	Investments - other			56	
57 a	Land, buildings, and equipment basis	57a 102,230.			
b	Less accumulated depreciation STMT 4	57b 90,078.	19,003.	57c	12,152.
58	Other assets (describe ▶)			58	
59	**Total assets** (add lines 45 through 58) (must equal line 74)		1,180,965.	59	952,960.
Liabilities					
60	Accounts payable and accrued expenses		170,462.	60	109,592.
61	Grants payable			61	
62	Deferred revenue		25,890.	62	16,000.
63	Loans from officers, directors, trustees, and key employees			63	
64 a	Tax-exempt bond liabilities			64a	
b	Mortgages and other notes payable			64b	
65	Other liabilities (describe ▶)			65	
66	**Total liabilities** (add lines 60 through 65)		196,352.	66	125,592.
Net Assets or Fund Balances					
	Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted		984,613.	67	827,368.
68	Temporarily restricted			68	
69	Permanently restricted			69	
	Organizations that do not follow SFAS 117, check here ▶ ☐ 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)		984,613.	73	827,368.
74	**Total liabilities and net assets / fund balances** (add lines 66 and 73)		1,180,965.	74	952,960.

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 IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	a	1,221,584.
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments $ <38,317.>		
(2)	Donated services and use of facilities $ 192,000.		
(3)	Recoveries of prior year grants $		
(4)	Other (specify) $		
	Add amounts on lines (1) through (4)	b	153,683.
c	Line a minus line b	c	1,067,901.
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify) $		
	Add amounts on lines (1) and (2)	d	0.
e	Total revenue per line 12, Form 990 (line c plus line d)	e	1,067,901.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	a	1,378,829.
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities $ 192,000.		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify) $		
	Add amounts on lines (1) through (4)	b	192,000.
c	Line a minus line b	c	1,186,829.
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 $		
(2)	Other (specify) $		
	Add amounts on lines (1) and (2)	d	0.
e	Total expenses per line 17, Form 990 (line c plus line d)	e	1,186,829.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE EXHIBIT 1		0.	0.	0.
PHILLIP THORPE 2001 PENNSLYVANIA AVE NW, SUITE 600 WASHINGTON, DC 20006-1807	PRESIDENT 40	72,917.	6,170.	0.
PAULA TOSINI 2001 PENNSLYVANIA AVE NW, SUITE 600 WASHINGTON, DC 20006-1807	EXECUTIVE VP & DIRECTOR 40	61,723.	8,125.	0.
JOHN M. DAMGARD 2001 PENNSLYVANIA AVE NW, SUITE 600 WASHINGTON, DC 20006-1807	DIRECTOR 3	0.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? If "Yes," attach schedule STMT 5 [X] Yes [ ] No

Part VI Other Information

				Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		78a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	N/A	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?		80a	X	
b	If "Yes," enter the name of the organization ▶ FUTURES INDUSTRY ASSOCIATION, INC. and check whether it is [X] exempt or [ ] nonexempt.				
81 a	Enter direct or indirect political expenditures See line 81 instructions	81a 0.			
b	Did the organization file **Form 1120-POL** for this year?		81b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		82a	X	
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b 192,000.			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?		83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	N/A	84a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	84b		
85	*501(c)(4), (5), or (6) organizations* a Were substantially all dues nondeductible by members?	N/A	85a		
b	Did the organization make only in house lobbying expenditures of $2,000 or less?	N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.				
c	Dues, assessments, and similar amounts from members	85c N/A			
d	Section 162(e) lobbying and political expenditures	85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	85h		
86	*501(c)(7) organizations* Enter a Initiation fees and capital contributions included on line 12	86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities	86b N/A			
87	*501(c)(12) organizations* Enter a Gross income from members or shareholders	87a N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX		88		X
89 a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0. , section 4912 ▶ 0. , section 4955 ▶ 0.				
b	*501(c)(3) and 501(c)(4) organizations* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	▶ 0.			
d	Enter Amount of tax on line 89c, above, reimbursed by the organization	▶ 0.			

90 a List the states with which a copy of this return is filed ▶ DISTRICT OF COLUMBIA, ILLINOIS, NY

b Number of employees employed in the pay period that includes March 12, 2002 | 90b | 9

91 The books are in care of ▶ THE ORGANIZATION Telephone no ▶ 202-466-5460

Located at ▶ 2001 PENNSYLVANIA AVE NW, WASHINGTON, DC ZIP + 4 ▶ 20006-1807

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* **Form 1041**- Check here ▶ [ ]
and enter the amount of tax exempt interest received or accrued during the tax year ▶ | 92 | N/A

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 PROGRAM MATERIAL SALES					627,593.
b REG. & CONF. FEES					102,351.
c DEVELOP & SURVEY FEES					32,381.
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			14	4,909.	
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					
100 Gain or (loss) from sales of assets other than inventory					
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))		0.		4,909.	762,325.
105 **Total** (add line 104, columns (B), (D), and (E)) ▶					767,234.

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)
	SEE STATEMENT 6

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

[redacted] panying schedules and statements, and to the best of my knowledge and belief it is true [redacted] ation of which preparer has any knowledge

[redacted] 03/03 ▶ Susan Hinko President

Type or print name and title

[redacted]

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: THE INSTITUTE FOR FINANCIAL MARKETS

Employer identification number: 52 1634508

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
MYRTLE A. MAJOR	ADMIN. MGR			
CHEVERLY, MD	40	72,500.	10,183.	0.
JOHN SANAGHAN	DIRECTOR EDU.			
WASHINGTON, DC	40	101,000.	10,253.	0.
PATRICIA FOSHEE	DIRECTOR SALE			
SPRINGFIELD, VA	40	76,000.	9,383.	0.
Total number of other employees paid over $50,000 ▶	0			

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
NONE		
Total number of others receiving over $50,000 for professional services ▶ 0		

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 of Part VI-B)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? SEE PART V, FORM 990	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc ? (See **Note** below)	3		X
4	Do you have a section 403(b) annuity plan for your employees?	4	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)

Schedule A (Form 990 or 990-EZ) 2002

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*

Calendar year (or fiscal year beginning in) ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	348,909.	441,337.	483,130.	544,632.	1,818,008.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	974,029.	713,940.	825,267.	859,978.	3,373,214.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	27,694.	6,968.	28,342.	37,949.	100,953.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	1,350,632.	1,162,245.	1,336,739.	1,442,559.	5,292,175.
24 Line 23 minus line 17	376,603.	448,305.	511,472.	582,581.	1,918,961.
25 Enter 1% of line 23	13,506.	11,622.	13,367.	14,426.	

26 **Organizations described on lines 10 or 11** a Enter 2% of amount in column (e), line 24 ▶ 26a N/A

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. **Do not file this list with your return** Enter the sum of all these excess amounts ▶ 26b N/A

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c N/A

d Add Amounts from column (e) for lines 18 ____ 19 ____ 22 ____ 26b ____ ▶ 26d N/A

e Public support (line 26c minus line 26d total) ▶ 26e N/A

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f N/A %

27 **Organizations described on line 12** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" **Do not file this list with your return** Enter the sum of such amounts for each year

(2001) 287,000. (2000) 365,000. (1999) 425,000. (1998) 425,000.

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) **Do not file this list with your return** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year

(2001) 0. (2000) 0. (1999) 0. (1998) 0.

c Add Amounts from column (e) for lines 15 1,818,008. 16 ____ 17 3,373,214. 20 ____ 21 ____ ▶ 27c 5,191,222.

d Add Line 27a total 1,502,000. and line 27b total 0. ▶ 27d 1,502,000.

e Public support (line 27c total minus line 27d total) ▶ 27e 3,689,222.

f Total support for section 509(a)(2) test Enter amount on line 23, column (e) ▶ 27f 5,292,175.

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g 69.7109%

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h 1.9076%

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

NONE

Part V **Private School Questionnaire** (See page 7 of the instructions.) N/A
(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?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	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?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
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	35		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions) N/A

(To be completed **ONLY** by an eligible organization that filed Form 5768)

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 (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
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 -	41		
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		

If the amount on line 40 is -	The lobbying nontaxable amount is -
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

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)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

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			
b Paid staff or management (Include compensation in expenses reported on lines c through h)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h)			0.

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

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 12 of the instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)	X	
(iv) Reimbursement arrangements	b(iv)	X	
(v) Loans or loan guarantees	b(v)	X	
(vi) Performance of services or membership or fundraising solicitations	b(vi)	X	
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c	X	

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		SEE EXHIBIT 2	

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ [X] Yes [ ] No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
FUTURES INDUSTRY ASSOCIATION INC.	501(C)(6)	SEE EXHIBIT 2

FORM 990 PAGE 2 990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	MANAGEMENT AND GENERAL FURNITURE AND EQUIPMENT	VARIES		.000	16	102,230.			102,230.	80,875.		9,203.
	* 990 PAGE 2 TOTAL MANAGEMENT AND GENERAL					102,230.		0.	102,230.	80,875.	0.	9,203.
	* GRAND TOTAL 990 PAGE 2 DEPR					102,230.		0.	102,230.	80,875.	0.	9,203.

228102
10 24-02

(D) Asset disposed

* ITC, Section 179, Salvage, HR 3090, Commercial Revitalization Deduction

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 1

DESCRIPTION	AMOUNT
UNREALIZED LOSSES ON INVESTMENTS	<38,317.>
TOTAL TO FORM 990, PART I, LINE 20	<38,317.>

FORM 990 OTHER EXPENSES STATEMENT 2

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
BAD DEBT	1,671.		1,671.	
INSURANCE	6,390.		6,390.	
TAXES & LICENSES	2,124.	1,959.	165.	
BANK CHARGES	5,881.		5,881.	
CONSULTING & CONTRACT SERVICES	206,391.	167,788.	38,603.	
DATA PROCESSING & INFORMATION SERVICES	6,885.	6,885.		
TOTAL TO FM 990, LN 43	229,342.	176,632.	52,710.	

FORM 990 OTHER PROGRAM SERVICES STATEMENT 3

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
PRODUCT MARKETING AND DEVELOPMENT		99,433.
TOTAL TO FORM 990, PART III, LINE E		99,433.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 4

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE AND EQUIPMENT	102,230.	90,078.	12,152.
TOTAL TO FORM 990, PART IV, LN 57	102,230.	90,078.	12,152.

FORM 990 PART V - OFFICER COMPENSATION FROM RELATED ORGANIZATIONS STATEMENT 5

OFFICER'S NAME	NAME OF RELATED ORGANIZATION	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JOHN M. DAMGARD	FUTURES INDUSTRY ASSOCIATION, INC.	700,000.	116,233.	0.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 6

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	EDUCATIONAL & RESEARCH MATERIALS TO (1) INCREASE GENERAL UNDERSTANDING OF THE FUTURES AND OPTIONS MARKET (2) IMPROVE THE COMPETENCE OF FINANCIAL SERVICES PERSONNEL TO DEAL WITH THE PUBLIC
93B	COURSES & SEMINARS TO (1) IMPROVE THE COMPETENCE OF FINANCIAL SERVICES PERSONNEL AND (2) PROVIDE ETHICS TRAINING TO COMPLY WITH CFTC REGULATIONS
93C	NEW PROGRAMS TO (1) IMPROVE THE COMPETENCE OF FINANCIAL SERVICES PERSONNEL AND (2) PROVIDE ETHICS TRAINING TO OTHER FINANCIAL SERVICES PERSONNEL

OFFICERS AND DIRECTORS	HRS/WK	COMPENSATION
MARGARET M EISEN CHAIRMAN THE INSTITUTE FOR FINANCIAL MARKETS 127 STEPHEN MATHER ROAD DARIEN CT 06820	1	0
THOMAS A RUSSO VICE CHAIRMAN LEHMAN BROTHERS INC 745 SEVENTH AVENUE NEW YORK, NY 10019-6801	1	0
GERALD TELLEFSEN SECRETARY/TREASURER TELLEFSEN CONSULTING GROUP 39 BROADWAY SUITE 700 NEW YORK, NY 10006	1	0
PETER F BORISH DIRECTOR ONECHICAGO 1285 AVENUE OF THE AMERICAS NEW YORK, NY 100019	1	0
MARC BREILLOUT DIRECTOR FIMAT USA INC 630 FIFTH AVENUE NEW YORK, NY 10111	1	0
ALGER B CHAPMAN DIRECTOR ABN AMRO FINANCIAL SERVICES 208 SOUTH LASALLE STREET CHICAGO ILLINOIS 60604	1	0
ROBERT COLLINS DIRECTOR NEW YORK MERCANTILE EXCHANGE ONE NORTH END AVENUE NEW YORK, NY 10282-1101	1	0
JOHN M DAMGARD DIRECTOR FUTURES INDUSTRY ASSOCIATION INC 2001 PENNSYLVANIA AVE NW WASHINGTON DC 2006-1807	3	0
BARBARA S DIXON DIRECTOR SPACKENKILL TRADING CORP 447 EAST 57TH STREET NEW YORK, NY 10022	1	0

EXHIBIT 1

DANIEL A DRISCOLL DIRECTOR NATIONAL FUTURES ASSOCIATION 200 WEST MADISON STREET CHICAGO ILLINOIS 60606	1	0
W ROBERT FELKER DIRECTOR BANC ONE BROKERAGE INTERNATIONAL CORP 1 BANC ONE PLAZA CHICAGO ILLINOIS 60670-0401	1	0
LAURIE R FERBER DIRECTOR GOLDMAN SACHS & CO 85 BROAD STREET NEW YORK, NY 10004	1	0
RUDOLF FERSCHA DIRECTOR EUREX FRANKFURT AG NEUE BORSENSTRASSE 1 FRANKFURT 60487 GERMANY	1	0
SCOTT GORDON DIRECTOR TOKYO-MITSUBISHI FUTURES 30 SOUTH WACKER DRIVE CHICAGO IL 60606	1	0
ARTHUR W HAHN DIRECTOR KATTEN MUCHIN ZAVIS ROSENMAN 525 WEST MONROE STREET CHICAGO ILLINOIS 60661	1	0
DAVID M HARDY DIRECTOR THE LONDON CLEARING HOUSE LTD ALDGATE HOUSE 33 ALDGATE HIGH STREET LONDON EC3N 1EA ENGLAND	1	0
EDWARD A KWALWASSE DIRECTOR NEW YORK STOCK EXCHANGE 11 WALL STREET NEW YORK, NY 10005	1	0
MARC E LACKRITZ DIRECTOR SECURITIES INDUSTRY ASSOCIATION 1401 EYE STREET NW WASHINGTON DC 20005-2225	1	0
ROBERT G PICKEL DIRECTOR INTERNATIONAL SWAPS AND DERIVATIVE ASSOCIATION INC 360 MADISON AVENUE NEW YORK, NY 10017	1	0

PAUL SALTZMAN ESP DIRECTOR THE BOND MARKET ASSOCIATION 360 MADISON AVENUE NEW YORK, NY 10017	1	0
MARY L SCHAPIRO DIRECTOR NASD REGULATION INC 1735 K STREET NW WASHINGTON DC 20006	1	0
NEAL SHEAR DIRECTOR MORGAN STANLEY 1585 BROADWAY NEY YORK, NY 10036	1	0
DAVID J VOGEL DIRECTOR SALOMON SMITH BARNEY INC 388 GREENWICH STREET NEW YORK, NY 10013	1	0
JOSEPH ZARANDONA DIRECTOR 4 PURDUE ROAD EDISION NJ 08820	1	0

FORM 990 STATEMENT OF RELATED PARTY TRANSACTION EXHIBIT 2

A. **THE RELATED PARTIES**

THE INSTITUTE FOR FINANCIAL MARKETS ("IFM" OR 'THE INSTITUTE") IS AFFLIATED WITH THE FUTURES INDUSTRY ASSOCIATIN, DIVISIONS AND CHAPTERS OF THE FUTURES INDUSTRY ASSOCIATION, AND CONTROLLED OPERTIONS OF THE ASSOCIATION

THE FUTURES INDUSTRY ASSOCIATIN ("FIA" OR "THE ASSOCATION"), WITH HEADQUARTERS IN WASHINGTON, DC, IS AN INTERNATIONAL MEMBERSHIP ASSOCIATION THE REPRESENT ORGANIZATIONS WITH AN INTEREST IN THE US AND INTERNATIONAL FUTURES MARKETS IN REGULATORY, BUSINESS, EXCHANGES AND LEGISLATIVE MATTERS FIA WAS INCORPORATED AS A NEW YORK NONPROFIT CORPORATION ON MARCH 31, 1955, AS THE ASSOCIATION OF COMMODITY EXCHANGE FIRMS FIA IS GOVERNED BY A 32-MEMBER BOARD OF DIRECTORS WHICH INCLUDES REPRESENTATIVE (fcmS), MANAGED MONEY FIRMS AND OTHER ASSOCIATE MEMBERS, AND TWO PUBLIC DIRECTORS FIA IS A NEW YORK NONPROFIT CORPORATION EXEMPT FOR TAXES UND SECTION 501(C)6) OF THE INTERNAL REVENUE CODE

IN 1989, FIA INCORPORATED THE FUTURES INDUSTRY INSTITUTE TO ASSUME FIA'S EDUCATIONAL PROGRAMS IN 2002, FUTURES INDUSTRY INSTITUTE CHANGED THEIR NAME TO THE INSTITUTE FOR FINANCIAL MARKETS IFM'S MISSION IS TO BE A PREMIER SOURCE OF QUALITY INFORMATION AND EDUCATION RELATED TO FUTURES, OPTIONS AND OTHER DERIVATIVES THE IFM IS NOT A MEMBERSHIP ORANIZATION AND IS GOVERNED BY A 26-MEMBER BOARD OF TRUSTEES THE IFM IS A DISTRICT OF COLUMBIA NONPOROFIT CORPORATION EXEMPT FROM TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE WHICH HAS BEEN DESIGNATED AS A PUBLICLY-SUPPORTED ORGANIZATION BY THE US INTERNAL REVENUE SERVICE

THE ASSOCATION ALSO SPONSORS SIX DIVISIONS AND CHAPTERS WHOSE PURPOSES ARE TO ADDRESS CONCERNS OF SPECIFIC SEGMENT OF THE FUTURES COMMUNITY AND TO CONTRIBUTE TO ASSOCIATION'S POLICY

B **GOVERNANCE DIRECTOR AND OFFICERS**

IFM'S BYLAWS PROVIDE THAT "THERE SHALL BE A BOARD OF TRUSTEES OF THE INSTITUTE, WHICH SHALL MANAGE, SUPERIVSE AND CONTROL THE BUSINESS, PROPERTY AND AFFAIRS OF THE INSTITUTE" UNDER THE TERMS OF THE IFM'S BYLAWS, THE FIA EXERCISES CONTROL OVER THE INSITUTE'S BOARD OF TRUSTEES IN THE FOLLOWING AREAS

(1) MEMBERSHIP OF THE BOARD OF TRUSTEES

THE IFM BYLAWS PROVIDE

AT LEAST A MAJORITY OF THE BOARD OF TRUSTEES SHALL BE COMPOSED OF INDIVIDUALS SELECTED BY THE BOARD OF DIRECTORS OF THE FUTURES INDUSTRY ASSOCIATION, INC (HERINAFTER THE "ASSOCIATION") HOWEVER, IN NO EVENT DOSE THE ASSOCAITON HAVE THE RIGHT TO SELECT 80 PERCENT OR MORE OF THE MEMBERS OF THE INSTITUTE BOARD OF TRUSTEES THE CHAIRMAN AND PRESIDENT OF THE ASSOCIATION AND THE DIRECTOR OF THE INSTITUTE SHALL SERVE AS EXOFFICIO MEMBERS OF THE BOARD VACANCIES, AS THE OCCUR ON THE BOARD OF TRUSTEES SHALL BE FILLED BY ACT OF A MAJORITY OF THE DIRECTORS OF THE ASSOCIATION OR BY A MAJORITY OF TRUSTEES OF THE INSTITUTE , BUT ALWAYS IN A MANNER THAT A MAJORITY OF TRUSTEES IS ELECTED BY THE ASSOCIATION TO BE ELIGIBLE FOR ELECTION TO THE BOARD A CANDIDATE MUST HAVE KNOWLEDGE OF THE FINANCIAL SERVICES INDUSTRY AND FUTURES MARKETS IF THE NOMINEE WORKS FOR A FUTURES COMMISSION MERCHANT, THE FUTURES COMMISSION MERCHAND MUST BE A MEMBER OF THE ASSOCIATION (ATRICLE IV (B))

(2) REMOVAL FROM THE BOARD OF TRUSTEES

THE INSTITUTES'S BYLAWS FURTHER PROVIDE THAT "THE ASSOCIATION MAY REMOVE A TRUSTEE OF THE INSTITUTE WITHOUT CAUSE OF NOTICE BY A MAJORITY VOTE OF THE BOARD OF THE ASSOCIATION" (ARTICLE IV(E))

(3) COMMON OFFICERS

ARTICLE V OF THE IFM BYLAWS PROVIDE THAT THE OFFICER OF THE INSTITUTE SHALL BE A CHAIRMAN, PRESIDENT, SECRETARY, TREASURER AND SUCH OTHER OFFICERS DEEMED NECESSARY ARTICLE V (C) PROVIDES "THE THE CHAIRMAN OF THE INSTITUTE SHALL BE APPOINTED FROM AMOUNT THE TRUSTEES BY THE CHAIRMAN OF THE ASSOCIATION WITH THE APPROVAL OF THE BOARD OF DIRECTORS OF THE ASSOCIATION"

C OPERATING GRANT

SINCE ITS INCEPTION, FIA HAS PROVIDED AN ANNUAL OPERATING GRANT TO THE INSTITUTE IN 2002, PURSANT TO AN ANNUAL BUDGET APPROVAL BY THE FIA'S BOARD OF DIRECTORS, THE ASSOCIATION GAVE THE INSTITUTE AN ANNUAL CASH OPERATING GRANT IN THE AMOUNT OF $80,000 IN ADDITION, FIA PROVIDES CONTRIBUTION IN-KIND TO THE IFM IN THE FORM OF OFFICE SPACE, ADMINISTRATIVE AND PROFESSIONAL SERVICES THE NATURE OF THESE SERVICES, VALUED IN 2002, $192,000 IS DISCUSSED BELOW

D SHARED FACILITIES

THE OFFICES OF THE ASSOCIATION AND THE INSITUTE ARE CO-LOCATED AT 2001 PENNSYLVANIA AVENUE, SUITE 600, WASHINGTON, DC 20006 IN A SUITE OF OFFICE SPACE LEASED BY THE ASSOCIATION THE FIA LEASES A TOTAL OF 6,676 NET RENTABLE SQUARE FEET OF SPACE (AS THE TERM IS DEFINED BY THE WASHINGTON BOARD OF REALTORS), CONSISTING OF APPROXIMATELY 3,162 SQUARE FEET OF OFFICESAND 2,360 SQUARE FEET OF COMMON SPACE ANDD 1,154 SQUARE FEET OF BUILDING CORE SPACE IN 2002 FIA RENTED ADDITIONAL SPACE IN THE BASEMENT OF THE BUILDING AS COMMON STORAGE FOR FIA AND IFM

IN 2002, IFM OCCUPIED APPROXIMATELY 1,371 SQUARE FEET OF OFFICE SPACE REPRESENTING APPROXIMATELY 40% OF THE OFFICE SPACE IN ADDITION, THE IFM USED APPROXIMATELY ON-HALF OF THE STORAGE SPACE

(1) RENT

DURING 2002, FIA INCURED RENT COSTS OF $323,873 FOR OFFICES AND STORAGE AT 41%, THE MARKET VALUE OF THE OFFICE SPACE OCCUPIEDBY IFM WAS $129,000

(2) OFFICE SERVICES

THE FIA DID NOT CHARGE OF ALLOCATE ANY COST TO IFM FOR ANY COMMON OFFICE SERVICES THAT THE ASSOCIATION WOULD HAVE TO PROVIED FOR ITSELF IN THE SHARED OFFICE SPACE IN 2002, THE ASSOCIATION PROVIDED THE INSTITUTE WITH ACCESS TO OFFICE SYSTEMS AND EQUIPMENT, INCULDING

a) TELEPHONE
b) COPIERS
c) FACSIMILE MACHINES
d) POSTAGE METER
e) EXPRESS SHIPPING
f) COURIER SERVICES
g) THE FIA LOCAL ARE NETWORK
h) OFFICE SECURITY
I) OFFICE DESIGNED AND RENOVATION
j) POSTAL PERMITS - BUSINESS REPLY AND POSTAGE DUE
k) KITCHEN

EXHIBIT 2

THE ACCESS IS PROVIDED AT NO CHARGE TO THE IFM FOR USE OF MAINTENANCE OF THE SYSTEMS, OR FOR SUPPLIES ORDERED FOR THOSE SYSTEMS CONVERSELY, THE IFM MAINTAINS A BULK SHIPPING ACCOUNT FOR PROGRAM MATERIAL SHIPMENTS AND PERMITS FIA TO USE

THE INSTITUTE REIMBURSES THE FIA FOR THOSE ADDIONAL COSTS BILLED TO PAID BY FIA FROM THE FOREGOING LIST THAT REPRESENT DIRECT EXPENSES OF THE IFM THSE COSTS ARE ALLOCATED TO IFM BASED ON REPORTS OF ACTUAL USAGE SUCH CHARGES INCLUDE

a) LONG DISTANT TELEPHONE AND FACSIMIL CHARGES
b) EXPRESS SHIPPING
c) POSTAGE USED

G **ADMINISTRATIVE SERVICES**

THE FIA STAFF PROVIDED CERTAIN ADMINISTRATIVE SERVICES TO THE IFM DURING 2002 THESE SERVICES

INCLUDED

(1) PERSONNEL ADMINISTRATION
(2) FINANCIAL MANAGEMENT, ACCOUNTING AND BOOKKEEPING SERVICES
(3) PAYROLL AND BENEFITS ADMINISTRATION
(4) RECEPTION, HOUSEKEEPING AND OFFICE MANAGEMENT

E **OTHER FIA GRANTS IN-KIND**

AS PART OF ITS EXMPT PURPOSE PROGRAMS, THE FIA SPONSORS CONFERENCES FIA PERMITS THE IFM STAFF TO ATTEND FIA CONFERENCES AND PROGRAMS AND TO DISPLAY ITS EXHIBITS AT NO COSTS ON A SPACE AVAILABLE BASIS THE IFM DOES NOT RECORD THE CORRESPONDING CONFERNECE FEES AS EITHER INCOME OR EXPENSE SIMILARLY, THE FIA DOES NOT RECORD THE VALUE OF THESE FEES AS EITHER INCOME OR EXPENSE

IN ADDITION, FIA PUBLISHES A MAGAZINE, THE FUTURES INDUSTRY, AND ACCEPTS PAID ADVERTISING FIA PERMITS THE IFM TO ADVERTSIE INSTITUTE PROGRAMS IN FUTURES INDUSTRY MAGAZINE AT NO COSTS ON A SPACE AVAILABLE BASIS THE IFM DOES NOT RECORD THE VALUE OF THE ADVERTISNING AS EITHER ADVERTISING EXPENSE AND GRANT INCOME IF THE FIA HAD REQUIRED THE IFM TO PAY FOR THESE ADVERTSIMENTS, THE READ CARD VALUE OF THE IFM ADVERTISEMENTS IN 2002 WOULD HAVE BEEN

• If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** and check this box ▶ [x]

Note: ***Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.***

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II — Additional (not automatic) 3-Month Extension of Time — Must File Original and One Copy.

Type or print. File by the extended due date for filing the return. See instructions	Name of Exempt Organization: The Institute for Financial Markets	Employer identification number: 52-1634508
	Number, street, and room or suite no. If a P.O. box, see instructions: 2001 Pennsylvania Ave., NW, Suite 600	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions: Washington, DC 20006-1807	

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

[x] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec. 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [ ] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• 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 is for

4 I request an additional 3-month extension of time until November 17, 20 03

5 For calendar year 2002 , or other tax year beginning ______, 20__ and ending ______, 20__

6 If this tax year is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension Additional time neccessary in order to gather information needed to file a complete and accurate return.

8a 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 . . . $ ______

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 . . . $ ______

c **Balance Due.** Subtract line 8b from line 8a. 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 ▶ Margaret A. Bradshaw Title ▶ CPA/Agent Date ▶ 8/8/03

Notice to Applicant — To Be Completed by the IRS

[✓] We have approved this application. Please attach this form to the organization's return

[ ] We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return

[ ] We **have not** approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period

[ ] We **cannot consider** this application because it was filed after the due date of the return for which an extension was requested

[ ] Other ______

EXTENSION APPROVED

Director ______ By ______ Date AUG 1 8 2003

LINDA WEISKOPF, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above

Type or print	Name: Grant Thornton LLP - Peggy Bradshaw
	Number and street (include suite, room, or apt. no.) Or a P.O. box number: 2070 Chain Bridge Road, Suite 300
	City or town, province or state, and country (including postal or ZIP code): Vienna, VA 22182