

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF THE ADMINISTRATIVE LAW JUDGES

In the Matter of)
)
Police Protective Fund, Inc.) Docket No. 1323239
a nonprofit, tax-exempt corporation,)
)
Respondent.)



MOTION TO QUASH CIVIL INVESTIGATIVE DEMAND

Pursuant to Commission Rules 2.10(a) and 2.7(k), 16 C.F.R. §§ 2.10, 2.7(k), by and through counsel, the Police Protective Fund (hereinafter "PPF") respectfully moves for an Order quashing the Civil Investigative Demand (hereinafter "CID") issued to PPF by the Federal Trade Commission (hereinafter "FTC") on March 19, 2014.

The Commission lacks personal and subject matter jurisdiction over PPF because it is a tax-exempt, nonprofit corporation. The Commission is without authority to issue the resolution directing the CID to PPF because none of the statutory authorities relied upon therein, including sections 6, 9, 10 and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50 and 57b-1; the FTC Procedures and Rules of Practice, 16 C.F.R. § 1.1 *et seq.*, as well as Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and The Telemarketing Sales Rule, 16 C.F.R. §310, apply to, or extend the Commission's jurisdiction over, tax-exempt, nonprofit organizations. As such, the information sought by the Commission through this CID exceeds the scope of permissible discovery under the Commission's Part II Rules, 16 C.F.R. § 2.1 *et seq.* Respondent counsel has conferred in good faith with Commission Counsel in an effort to resolve this dispute, but was unable to reach an agreement. *See* Meet & Confer Statement (Exhibit A); Apr. 10,

2014 Letter from K. Donnelly to J. Moon; Apr. 14, 2014 Letter from J. Moon to K. Donnelly; Apr. 16, 2014 Letter from J. Moon to K. Donnelly.

ARGUMENT

I. The CID should be quashed because the FTC lacks jurisdiction over PPF.

The Federal Trade Commission lacks jurisdiction over the Police Protective Fund because no part of the organization's activities provides any pecuniary benefits whatsoever to the entity itself, its officers, directors, employees or agents, or any other individual or entity; thus it is not operated for its own profit or for the profit of others. The FTC has long claimed jurisdiction over nonprofit corporations for unfair or deceptive trade practices under 15 U.S.C. § 45(a) where the nonprofit carries on a business for profit as a de facto for-profit corporation under 15 U.S.C. § 44. *See* 15 U.S.C. § 44; 15 U.S.C. § 45(a). Section 44 defines a "corporation," in part, as any company or association without shares of capital or capital stock, organized to carry on a business for its own profit or that of its members. *Id.* Courts determine FTC jurisdiction on an ad hoc basis. *California Dental Ass'n v. FTC*, 526 U.S. 756, 767 n.6 (1999).

The Supreme Court has defined "profits" within the meaning of 15 U.S.C. § 44 as "greater than *de minimis* or presumed economic benefits" conferred by the nonprofit organization on itself, its profit-seeking members, or the industry in which it operates. *Id.* A proximate relation to lucre must appear for the nonprofit corporation to operate for profit within the meaning of 15 U.S.C. § 44.¹ *See id.* In other words, the nonprofit corporation must create some illicit gain for itself, its members, or its industry in order

¹ For decades, the circuits remained split on the definition of "profit" and the appropriate test to be used in determining the minimum "profit" necessary to trigger jurisdiction. *See California Dental Ass'n v. FTC*, 128 F.3d 720, 725-26 (9th Cir. 1997); 526 U.S. 756, 764 (1999). The United States Supreme Court sought to resolve the conflict in *California Dental Ass'n v. FTC*, 526 U.S. 756 (1999). *Id.*

for the FTC to exercise jurisdiction over it. *California Dental*, 526 U.S. at 767 n.6. In *FTC v. Ameridebt, Inc.*, 343 F. Supp. 2d 451 (Md. 2004), the U.S. District Court for the District of Maryland expanded the Supreme Court's ruling to grant FTC jurisdiction over a nonprofit organization that operates a common enterprise to profit another company or individual rather than just the organization, its members, or the industry. *Id.* at 459, 463. Here, the FTC does not claim any illicit gain much less common enterprise, nor could it.

A. PPF confers no pecuniary benefits.

In *Community Blood Bank v. FTC*, the Eighth Circuit held that the FTC lacks jurisdiction over purely nonprofit corporations "which are organized for, and actually engaged in, business for only charitable purposes, and do not derive any 'profit' for themselves or their members [or any other individual or entity]." *See id.* at 768-69; *Community Blood Bank v. FTC*, 405 F.2d 1011, 1022 (8th Cir. 1969). Further, the FTC is without jurisdiction over individuals acting entirely on behalf of such nonprofit corporations and receiving no personal benefit therefrom. *Community Blood Bank*, 405 F.2d at 1021-22. The Supreme Court's holding in *California Dental Association* is consistent with this Eighth Circuit ruling. *California Dental*, 526 U.S. at 767 n.6.

PPF was formed in 1998 and initially organized and granted tax-exempt status under § 501(c)(4) of the Internal Revenue Code. Because the organization believed it was and is truly a charitable and educational organization, the Board of Directors applied for a change of tax-exempt status on August 28, 2000, requesting that it be recognized as a public, charitable and educational organization under § 501(c)(3) of the Internal Revenue Code, rather than its previous recognition under § 501(c)(4). The IRS granted PPF its requested change in tax-exempt status on March 15, 2001, recognizing the

charitable and educational organization as exempt from federal income taxation under § 501(c)(3) of the Code.

The Police Protective Fund was established over fifteen (15) years ago to educate law enforcement professionals on all matters of safety and awareness. The Police Protective Fund has a wide range of program services, including direct aid, such as survivor benefits, and indirect aid including crisis response, education, and outreach programs. PPF's programs include, but are not limited to, the "Junior Police Academy," the "Police Chaplains Project," funeral planning services, survivor support services, and "Proceed with Caution," a public outreach and education initiative. PPF spent a total of \$2,625,035 on its three largest programs in 2012 alone. See 2012 IRS Form 990, attached hereto and marked Exhibit B. Of that total amount, PPF spent \$900,330 on crisis response programs in 2012, including \$37,000 in survivor benefit cash grants, \$1,301,910 on its Junior Police Academy program, and \$420,795 on its Proceed with Caution program. *Id.*

PPF's crisis response programs include survivor benefits and survivor support services within its Survivor Network, its Police Chaplain Project, and funeral planning services. PPF's Survivor Network offers a comprehensive approach to assisting families and departments with a line-of-duty funeral, including educational resources and protocols, as well as survivor benefits and survivor support services for families and coworkers. As part of its Police Chaplain Project, training is provided to law enforcement management and chaplains in classroom settings by experts in funeral planning, department protocol development and chaplain services. PPF's master chaplains help families and departments with grief counseling after a line-of-duty death.

PPF's Junior Police Academy is an educational program for students, taught by school resource officers and/or law enforcement officers in drug and gang free environments. *See id.* The program teaches the students responsibility for their actions and respect for our judicial system. *Id.* The program includes a semester course for credit, and all materials therefor, an after school program, and a summer camp. *Id.* With 60 course lessons, including lesson plans, exams and suggested field trips and guest speakers, this comprehensive program was developed to train and inspire future law enforcement officers. *Id.*

PPF also provides direct aid primarily through survivor benefits paid to families of law enforcement officers who are killed in the line of duty. In 2012, the Police Protective Fund provided a total of \$37,000 in survivor benefits to nineteen (19) families who lost a loved one in the line of duty. According to the "Law Enforcement Officers Killed or Assaulted (LEOKA) Report" published annually by the Federal Bureau of Investigation, forty-eight (48) law enforcement officers died as a result of felonious incidents in the line of duty in 2012. *See* The Risks to the Thin Blue Line, The Federal Bureau of Investigation (Oct. 28, 2013), <http://www.fbi.gov/news/stories/2013/october/latest-law-enforcement-officers-killed-and-assaulted-report-released/latest-law-enforcement-officers-killed-and-assaulted-report-released> (last visited Apr. 20, 2014). Another forty-seven (47) were killed as a result of an accident sustained in the line of duty. *Id.* As such, PPF provided direct cash aid to 20 percent of the families of fallen officers who lost their lives in the line of duty during 2012.

The survivor benefits program lessens the financial burden on families resulting from the loss of a loved one who was killed in the line of duty, and who is often the

primary family provider. The organization's Survivor Network, of which survivor benefits are a small but important part, provides a variety of less quantifiable benefits including chaplain services, funeral planning services, educational materials and support services, as well as an online forum for families of fallen law enforcement officers and coworkers to share words of hope and grieve together with the support of the community and those who have suffered similar loss.

As aforementioned, the FTC is without jurisdiction over individuals acting entirely on behalf of nonprofit corporations and receiving no personal benefit therefrom. PPF is not membership based. Law enforcement officers and their families do not have to sign up, pay dues, or pay membership fees to be eligible for benefits. The organization's charitable and educational services are offered free of charge to any law enforcement officer, junior officer, family member or coworker. None of PPF's officers, directors, employees or agents receive any pecuniary benefits from the charitable organization. Compensation of executive employees is set and reviewed annually by the Board of Directors based on salary comparisons of similarly situated organizations within similar geographic areas, and such salaries and compensation are provided only in return for actual services rendered. Further, salaries and compensation are reviewed and audited annually by PPF's outside, independent accountant and auditor.

To raise funds, PPF employs callers to telefundraise directly on behalf of the organization, thereby minimizing the need for outside professional fundraisers and lowering the costs of a grassroots campaign with a guaranteed positive result to PPF. The organization continues to maintain tax-exempt status as a charitable organization, and is

registered with every state that requires same as a condition to conducting charitable fundraising appeals.

In connection with its I.R.C. § 501(c)(3) status, PPF properly files an IRS Form 990 and annually has its financial statements audited by an outside, independent certified public accountant. There are no shareholders. There is no division of any excess proceeds that constitute a profit. The president is paid a competitive salary based upon salary studies requested and approved by the board of directors. PPF is governed by an uncompensated board of directors which acts consistent with its bylaws. PPF provides services pursuant to its tax-exempt purpose. It is overseen by the Internal Revenue Service which reviews PPF's Form 990 annually and which has audited the organization previously. Individual states also provide oversight and review the filings, contracts, and the financial results of the activities of the organization. PPF has never had its tax-exempt status questioned by the Internal Revenue Service; nor has it ever been the subject of enforcement action on either the state or federal level.²

As mentioned in the foregoing paragraph, PPF has successfully closed two separate and independent audits performed by the Internal Revenue Service. The first audit closed on April 26, 2004, and the second audit closed on October 5, 2007, both resulting in continued tax exempt status under § 501(c)(3). Any and all changes recommended by the IRS pursuant to same have been made by PPF. As such, the organization has proven and continues to prove its charitable and educational programs

² PPF resolved a dispute with the State of Missouri, which alleged PPF violated a Missouri law that did not even apply to the organization in the first instance. Prior to settlement, the State of Missouri alleged PPF violated the state's Do Not Call List law; however, Missouri's Do Not Call List law does not apply to tax-exempt, nonprofit corporations. PPF also settled a dispute with California in 2010 resulting in no admission of wrongdoing and PPF agreed to simply not call in the state moving forward. Further, PPF resolved a dispute with Tennessee over alleged technical registration filing issues with no admission of wrongdoing. No enforcement actions have been filed against PPF in state or federal court.

qualify for tax-exempt status under § 501(c)(3) of the Code. Any further inquiry or audit as to whether the organization should continue to receive the subsidy is better suited for the IRS, as delegated by Congress, and not the Federal Trade Commission, which lacks jurisdiction over tax-exempt, nonprofit corporations in the first instance.

B. High fundraising costs alone fail to trigger jurisdiction.

The Supreme Court has long recognized that charitable solicitations are not commercial in character but are a form of fully protected speech under the First Amendment. *Riley v. Fed'n of the Blind*, 487 U.S. 781, 796 (1988). The Supreme Court has afforded the strictest First Amendment protection to charitable solicitations because “charitable appeals for funds . . . involve a variety of speech interests – communication of information, the dissemination and propagation of views and ideas, and the advocacy of causes – that are within the protection of the First Amendment.” *Schaumburg v. Citizens for a Better Environment*, 444 U.S. 620, 632 (1980).

In distinguishing commercial speech from fully-protected charitable speech, the Supreme Court recognized that charitable speech is not mere commercial speech because it “does more than inform private economic decisions and is not primarily concerned with providing information about the characteristics of goods and services.” *Id.* Any restriction imposed on charitable solicitations, therefore, must “be undertaken with due regard for the reality that solicitation is characteristically intertwined with informative and perhaps persuasive speech seeking support for particular causes or for particular views on economic, political, or social issues.” *Id.*

In the early cases of *Schaumburg*, *Munson*, and *Riley*, state and local governments argued that when a fundraiser or telemarketer retains a large portion of the donated funds

to cover fundraising and administrative expenses, the solicitations are somehow stripped of their informative and persuasive character, and they become purely commercial and inherently fraudulent. See *Madigan*, 538 U.S. at 612; *Riley*, 487 U.S. at 795; *Munson*, 467 U.S. at 953-54; *Schaumburg*, 444 U.S. at 636. The Supreme Court, however, rejected this argument on four separate occasions on the basis that such an argument ignores the First Amendment and the reality that without charitable solicitation the flow of information and advocacy for particular causes and “for particular views on economic, political, or social issues . . . would likely cease.” *Schaumburg*, 444 U.S. at 632.

The Supreme Court has also held that using percentages to decide the legality of the fundraiser’s fee or the minimum amount that must reach the charity is constitutionally invalid. See *Riley*, 487 U.S. at 789 (citing *Schaumburg v. Citizens for a Better Env’t*, 444 U.S. 620 (1980); *Munson Co.*, 467 U.S. 947 (1984)). High fundraising costs, without more, do not establish fraud. *Madigan*, 538 U.S. at 624. Likewise, the percentage of fundraising proceeds turned over to a charity is not an accurate measure of the amount of funds used “for” charitable purposes. *Id.* at 602 (citing *Munson*, 467 U.S. at 967). Further, the Supreme Court has held that the FTC’s jurisdiction over nonprofit corporations cannot feasibly turn on “meeting some threshold percentage” of pecuniary activity. *California Dental*, 526 U.S. at 766.

As the Supreme Court held in *Schaumburg*, *Munson*, *Riley*, and *Madigan*, appeals for support on behalf of a charitable organization constitute fully protected speech. See *Riley*, 487 U.S. at 782, 788-89; see also *Schaumburg*, 444 U.S. 620 (1980); *Munson*, 467 U.S. 947 (1984); *Madigan*, 538 U.S. 600 (2003). Such appeals require a charity to spend money to conduct them and then collect money in response. The charitable donations

collected in response to such appeals cannot possibly constitute profits if they are not even commercial in nature. Regardless of what percentage of the contributions received goes to the charity and what percentage goes to the fundraiser that conducted the appeal, if any, or what percentage goes to overhead expenses to maintain the calling operation in house by employees and/or volunteers of the organization, the contributions received constitute fully protected speech under the First Amendment. *Riley*, 487 U.S. at 788-89 (a direct restriction on the amount of money a charity can spend on fundraising activity is a direct restriction on protected First Amendment activity). Thus, contributions fail to satisfy the definition of profits within the meaning of 15 U.S.C. § 44.

Further, because the Supreme Court has held that using percentages to determine the legality of the fundraising fee or the minimum amount that must reach the charity is unconstitutional, any similar use of percentages by the FTC to argue too little reaches the charity and too much goes to the fundraiser or to fundraising expenses, is necessarily unconstitutional. Consequentially, any percentage-based argument that PPF's payment of high fundraising costs amounts to an illicit pecuniary benefit for the fundraiser or for the employees calling directly for the charity is constitutionally invalid and cannot be the measure for determining whether PPF is a charitable organization. In addition to the fact that the First Amendment bars a fraud action based on high fundraising costs alone, the Supreme Court has held that the FTC's jurisdiction over nonprofit corporations cannot feasibly turn on meeting some threshold percentage of pecuniary activity. The FTC cannot rely on high percentages of fundraising fees alone to satisfy the definition of profits necessary to trigger jurisdiction.

In anticipation of the argument that PPF implies that more than an incidental portion of contributions will be used to provide direct financial aid to families of law enforcement officers killed in the line of duty, PPF asserts that such an argument is unsupported and would not warrant the assertion of FTC jurisdiction. Any such allegation that PPF's appeal for support is a form of misrepresentation because such a small percentage goes to direct cash aid fails to account for the large amount of program service provided in direct, noncash aid as well as indirect program service. Further, such an allegation constitutes a "back-door approach" to circumvent Supreme Court precedent. In *Munson*, *Riley*, and *Madigan*, the Supreme Court held that the percentage of fundraising proceeds turned over to a charity is not an accurate measure of the amount of funds used "for" charitable purposes. *Madigan*, 538 U.S. at 602 (citing *Munson*, 467 U.S. at 967). In addition, PPF receives benefits far above the actual net dollars it receives from its fundraising activities.

The grass roots calling campaigns build name recognition as well as cause recognition. The Court made this point well in *Riley* in when it stated as follows:

Although we do not wish to denigrate the State's interest in full disclosure, the danger the State posits is not as great as might initially appear. First, the State presumes that the charity derives no benefit from funds collected but not turned over to it. Yet this is not necessarily so. For example, as we have already discussed in greater detail, where the solicitation is combined with the advocacy and dissemination of information, the charity reaps a substantial benefit from the act of solicitation itself. See *Munson*, supra, 467 U.S. at 963, 104 S.Ct., at 2850; *Schaumburg*, 444 U.S., at 635, 100 S.Ct. at 835. Thus, a significant portion of the fundraiser's "fee" may well go toward achieving the charity's objectives even though it is not remitted to the charity in cash. f.n.10.

f.n. 10. In addition, the net “fee” itself benefits the charity in the same way that an attorney’s fee benefits the charity, or the purchase of any other professional service benefits the charity. That the fundraiser’s fee does not first pass through the charity’s hand is of small import.

Riley, 487 U.S. at 798-99.

The quotation from *Riley*, above, recognizes that even though the charitable organization receives little or nothing in cash, it does receive value. With direct mail, it can cost a dollar to raise a dollar. The telemarketing contract advantage is a hold harmless against the risk of loss and a guaranteed positive result. PPF’s transition several years ago away from professional fundraising contracts to conduct calling operations in-house lessens the need for reliance on outside professionals and allows for employees and/or volunteers to call directly for the charitable organization, again a guaranteed positive result.

States such as New York and California, as well as others, record these fundraising experiences and such reports are easily available to the Federal Trade Commission. Many charitable organizations receive less than 15 percent, and in some instances, are totally at risk and receive nothing. Here, PPF moved all of its calling operations in-house so that it would not have to outsource its fundraising to companies that would take between 60 percent and 90 percent of donations. Fundraising is expensive. Nonetheless, as the Court explained in *Riley*, receiving 15 percent or less, alone, does not establish fraud or any illicit pecuniary benefit to the fundraiser, nor does it support a claim that such an organization fails to qualify as a public, charitable organization. Using percentages to determine the legality of the fundraising expenses or

the minimum amount that must go to the charity is unconstitutional, regardless of whether a professional fundraiser is calling or an employee of the charity, and it is not determinative of charitable status.

With that said, it is worth noting, PPF spends 47 percent of its total contributions on program services, including payments to aid survivors of line-of-duty deaths and their departments and coworkers, as well as numerous other charitable, educational and outreach programs as outlined above. *See* 2012 IRS Form 990. According to its IRS Form 990 filed for fiscal year 2012, the organization spent \$2,718,702 on program services, including \$2,625,035 on its top three programs. *Id.* PPF spends 22 percent of its total contributions on management and general expenses. *Id.* Further, PPF spends 29 percent of its total contributions on fundraising expenses, including the salaries and compensation of all employees calling directly for the charity to solicit public support as well as the overhead expenses of calling in-house in lieu of hiring outside professionals to call on the organization's behalf.

Further, we are unaware of any allegations of misrepresentation or consumer complaints of misrepresentation whatsoever. Rather, Commission Counsel has indicated that the consumer complaints received with respect to PPF are limited to individual Do-Not-Call Requests and the failure of PPF to answer same. As you know, charitable organizations are not required to comply with the federal "do-not-call" list provisions of the TCPA and the TSR, including compliance with the national do-not-call list. *See* 47 C.F.R. § 64.1200(f)(14)(iii); 16 C.F.R. § 310.6(a). It should be noted that the organization has a strict do-not-call policy and maintains a consistently updated internal do-not-call list. *Id.* Even so, the Commission lacks jurisdiction over same.

Presuming this investigation is based on high fundraising costs and/or recent media reports highlighting such high fundraising costs, such a threshold inquiry absent jurisdiction fails to carry the day. If using percentages to determine the minimum amount that must go to the charity is unconstitutional, it certainly cannot be used to trigger jurisdiction where the Commission otherwise lacks authority to investigate.

Likewise, unsubstantiated media reports also fail to trigger jurisdiction absent nothing more than high fundraising costs and/or consumer complaints regarding Do-Not-Call Requests. A recent media expose published by the Tampa Bay Times characterized PPF's high fundraising costs and allegedly low direct aid program service expense pejoratively. However, it is important to note the article blatantly ignores the more than \$2.6 million spent by PPF on direct and indirect program services as discussed above and as reported on its IRS Form 990 for 2012.

PPF reported \$2,265,035 in program service expenses for its three largest programs in 2012, \$2,718,445 in program service expenses for its three largest programs in 2011, and \$1,131,362 for same in 2010. See 2012 IRS Form 990; 2011 IRS Form 990, which is attached hereto and marked Exhibit D; and 2010 IRS Form 990, which is attached hereto and marked Exhibit F. Of those amounts, PPF spent \$37,000 on direct cash grants to survivors and \$2,228,035 on other direct and indirect aid and program service in 2012. See 2012 IRS Form 990. Similarly, in 2011, PPF spent \$58,000 on direct cash aid to survivors and \$2,660,445 on direct and indirect aid and program service. See 2011 IRS Form 990. As aforementioned, PPF's direct cash grants to individuals are survivor benefits paid to families of fallen officers who were killed in the line of duty. PPF provided such direct cash aid to 20 percent of families who lost a loved one in the

line of duty in the United States in 2012. PPF believes we can all agree that we want to see the number of fallen officers and, therefore, the direct aid benefits paid by PPF to survivors of same, to decrease and not increase.

Absent jurisdiction and a threshold inquiry, the purpose of the CID issued in this case is to search for and, as made apparent by Commission Counsel seeking to justify said search, to hopefully find some violation of law that the Commission could use to argue it does, in fact, have jurisdiction over an organization clearly outside the purview of Section 5 of the Federal Trade Commission Act. This constitutes nothing more than a fishing expedition. Such an unlimited inquiry under the guise of a determination of jurisdiction necessarily grants *cart blanche* to review the books and records of a charitable and educational organization outside the Commission's jurisdiction in the hopes of finding some violation of law it may then use to justify jurisdiction.

As stated above, high fundraising costs alone fail to trigger a cause of action for fraud or satisfy the definition of profits under 15 U.S.C. § 44. Further, PPF confers no pecuniary benefits whatsoever on itself, its officers, directors, employees, or agents, their families, or for-profit corporations or individuals. PPF is a purely nonprofit tax-exempt organization. Therefore, the FTC lacks jurisdiction over PPF and any officers, directors, employees or agents personally, and it cannot compel PPF to respond to its CID.

II. Scope

PPF objects to the nature and scope of the CID, and the investigation generally, as the FTC lacks jurisdiction to investigate nonprofit, tax-exempt charitable and educational organizations such as PPF. *See* Resolution, File No. 132 3286 (Sept. 23, 2013)

("directing use of compulsory process" and relying on inapplicable authority to conduct alleged investigation).

Further, PPF objects to each and every request contained in the CID on jurisdictional grounds as well as on the grounds that such requests are overbroad, overreaching and overly burdensome. The sheer volume of requests issued for an alleged determination of jurisdiction is unreasonable at best. During discussions of jurisdiction and scope with Commission Counsel pursuant to 16 C.F.R. § 2(k), Commission Counsel asserted that the FTC requires responses to 66 of the 76 original Interrogatories issued to PPF as well as 46 of the original 53 Requests of Documents to ascertain jurisdiction alone. *See* Letter from J. Moon to K. Donnelly (Apr. 16, 2014), attached hereto and marked Exhibit O. PPF agreed to provide a significant amount of information to prove its nonprofit status. *See* Letter from K. Donnelly to J. Moon (Apr. 10, 2014), attached hereto and marked Exhibit M. However, the FTC declined the offer and instead requested what amounts to a full response to this fishing expedition. *See* Letter from J. Moon to K. Donnelly (Apr. 16, 2014).

Without a violation of law or more than presumed profit, the FTC has no jurisdiction. As such, the FTC now asserts its alleged right to investigate for some or any violation of law or presumed profit so that it might, hopefully, be able to assert jurisdiction over PPF and, therefore, claim it has a case. This constitutes an end-run around its jurisdictional limits. Further, such searches are constitutionally repugnant under the Fourth and Fourteenth Amendments to the United States Constitution. "It is ancient law that no agency of government may conduct an unlimited and general inquisition into the affairs of persons *within its jurisdiction* solely on the prospect of

possible violations of law being discovered”, much less persons outside its jurisdiction. *A'Hearn v. Comm. on Unlawful Practice of Law*, 23 N.Y.2d 916, 918 (N.Y. 1969) (emphasis added).

Further, gathering, copying and scanning all documents and responses as requested above would take a significant amount of time and resources that the organization simply does not have. PPF already offered voluminous records and information to prove its exempt status and to assuage the FTC's alleged concerns regarding jurisdiction, which the Commission declined. Instead, the Commission now argues it requires responses to 112 requests for documents and information, which is only fourteen (14) fewer than the original 129 responses requested under the CID issued without jurisdiction, to determine whether it has jurisdiction in the first instance.

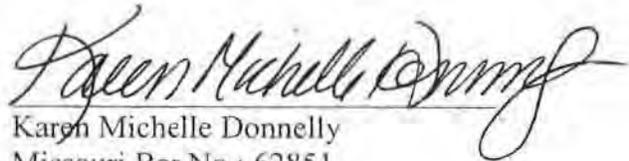
Therefore, PPF renews its objection to all requests for records and information contained in the CID on jurisdictional grounds as well as on grounds that such requests are overly broad, duplicative, unduly burdensome, and will result in exhaustive time and expense that will be diverted from furthering the organization's exempt purposes. We continue to believe that everything the FTC needs to affirm its lack of jurisdiction over PPF is readily available to it in the public domain. With that said, we have enclosed exhibits further proving the exempt status and charitable and educational mission, program service and activities of the Police Protective Fund.

CONCLUSION

For the foregoing reasons, the Court should grant the Motion to Quash the Civil Investigative Demand issued by the Federal Trade Commission to Police Protective Fund, Inc.

Dated: April 21, 2014.

Respectfully Submitted,



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Certificate of Service

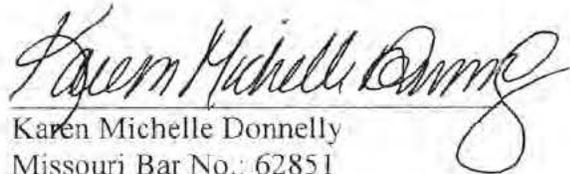
On the date below written, the undersigned hereby certifies that 1 original and twelve (12) copies were sent via overnight mail with all postage prepaid to:

Donald S. Clark, Secretary
Federal Trade Commission
600 Pennsylvania Avenue, NW, Room H-159
Washington, DC 20580

On the date below written, the undersigned hereby certifies that a true and correct copy of the foregoing was sent via e-mail and via overnight mail with all postage pre-paid to:

Jason C. Moon, Esq.
Federal Trade Commission
1999 Bryan Street, Suite 2150
Dallas, TX 75201

DA TED this 21st day of April, 2014.



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**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF THE ADMINISTRATIVE LAW JUDGES**

In the Matter of)	
)	
Police Protective Fund, Inc.)	Docket No.
a nonprofit, tax-exempt corporation,)	
)	
Respondent.)	

**[PROPOSED] ORDER GRANTING RESPONDENT'S MOTION TO QUASH CIVIL
INVESTIGATIVE DEMAND**

Upon consideration of Respondent's Motion to Quash the Civil Investigative Demand issued by the Federal Trade Commission to Police Protective Fund, Inc., it is hereby

ORDERED, that the Civil Investigative Demand issued to Police Protective Fund, Inc., is QUASHED.

ORDERED:

Administrative Law Judge

Date:

EXHIBIT A

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF THE ADMINISTRATIVE LAW JUDGES**

In the Matter of)	
)	
Police Protective Fund, Inc.)	Docket No.
a nonprofit, tax-exempt corporation,)	
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Respondent.)	
)	

STATEMENT REGARDING MEET & CONFER PURSUANT TO 16 C.F.R. § 2.7(k)

Counsel for Respondent respectfully submits this Statement, pursuant to F.T.C. Rule 2.7(k). Prior to filing the attached Motion to Quash the Civil Investigative Demand (hereinafter "CID") served on the Police Protective Fund ("PPF"), Counsel for Respondent met and conferred with Counsel for the Commission, in an effort in good faith to resolve by agreement the issues raised by the motion and has been unable to reach an agreement prior to the deadline for filing this motion.

Counsel for Respondent engaged in a meet-and-confer by phone with Commission Counsel Jason C. Moon, along with two additional representatives of the Federal Trade Commission, on April 8, 2014 at 10:00 A.M. CST. After discussing the issues of jurisdiction and scope, Counsel for Respondent agreed to produce a list of documents Respondent would be willing to produce to prove its nonprofit, exempt status. Counsel for Respondent conferred again by phone with Commission Counsel Jason C. Moon on April 9, 2014 at approximately 9:30 A.M. CST regarding scope, jurisdiction, and an extension of time to file a motion to quash.

On April 10, 2014, Counsel for Respondent sent a letter to Commission Counsel setting forth a list of documents and information Respondent would be willing to produce

to prove nonprofit, exempt status in exchange for an extension of time for Respondent to file a motion to quash until May 12, 2014, with the hope that Respondent's production would assuage the Commission's concerns over jurisdiction and Respondent would not have to file said motion at all. Respondent offered to produce responses to 28 Interrogatories and 27 Requests for Documents to resolve the jurisdiction issue.

By letter of April 14, 2016, Commission Counsel declined to extend the deadline for filing a motion to quash until May 12, 2014, at this time, but stated the Commission would extend the deadline to file same until April 21, 2014, and explained that the Commission was preparing a response to Respondent's offer of a limited production.

Counsel for Respondent received a letter from Commission Counsel on Wednesday, April 16, at approximately 11:23 a.m. CST, setting forth a counter offer of limited production. Unwilling to agree to Respondent's offer to produce documents and information responsive to 55 of the original 129 requests contained in the CID to prove exempt status, Commission Counsel insisted on receiving 112 of the original 129 requests to ascertain jurisdiction alone. With a deadline of less than 72 hours to file a motion to quash, Respondent was left with no choice but to file same.

Counsel for the Commission extended the courtesy of granting an additional one-day extension on April 21, 2014, until April 22, 2014, for Respondent to file said motion.

Dated: April 21, 2014.

Respectfully Submitted,



Karen Michelle Donnelly

Missouri Bar No.: 62851

Kansas Bar No.: 24942

Copilevitz & Canter, LLC

310 W. 20th Street, Suite 300

Kansas City, MO 64108

Phone: (816) 472-9000

Fax: (816) 472-5000

kdonnelly@cckc-law.com

Counsel for Respondent

EXHIBIT B

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.

A For the 2012 calendar year, or tax year beginning and ending

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

C Name of organization
 Police Protective Fund
 Doing Business As
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
 1009 West 6th Street 205
 City, town, or post office, state, and ZIP code
 Austin, TX 78703

D Employer identification number
 74-2864446

E Telephone number
 (800)961-9973

F Name and address of principal officer: Phil LeConte same as C above

G Gross receipts \$ 5,869,013.

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: <http://policeprotectivefund.org>

K Form of organization: Corporation Trust Association Other

L Year of formation: 2001 **M** State of legal domicile: TX

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Police Protective Fund is a 501(c)(3) organized to promote officer safety through education.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	4
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	3
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	469
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	5,916,590.	5,758,695.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,604.	5,318.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	149.	0.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,924,569.	5,869,013.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	70,918.
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		3,430,667.	3,290,948.
16a Professional fundraising fees (Part IX, column (A), line 11e)		137.	0.
b Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/>		1,655,768.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		2,416,052.	2,321,750.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		5,917,774.	5,649,698.
19 Revenue less expenses. Subtract line 18 from line 12		6,795.	219,315.
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	172,010.	198,456.
	22 Net assets or fund balances. Subtract line 21 from line 20	444,495.	251,626.
		-272,485.	-53,170.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: *[Signature]* Date: 27 JUNE 13

Type or print name and title: David Dierks, Secretary

Paid Preparer Use Only

Print/Type preparer's name: Cynthia Williams, EA Preparer's signature: *[Signature]* Date: 06/20/13 Check if self-employed: PTIN: P01222818

Firm's name: James E. Raftery, CPA PC Firm's EIN: 86-0503405

Firm's address: 606 N. Stapley Drive Mesa, AZ 85203 Phone no.: 480-835-1040

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission:

To promote the safety and well being of law enforcement officers through educational programs and public awareness campaigns

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

X Yes No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes X No

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 902,330. including grants of \$ 37,000.) (Revenue \$)

Crisis Response Programs including Survivor Network, Police Chaplain Project and Funeral Planning Seminars - A comprehensive approach to assisting departments in a line of duty death, including educational courses and protocols, as well as survivor support services for the families and co-workers. Training is provided to law enforcement management and chaplains in classroom settings by experts in funeral planning, department protocol development and chaplain services. Original educational materials are available through online content as well as DVDs and printed format.

4b (Code:) (Expenses \$ 1,301,910. including grants of \$) (Revenue \$ 4,688.)

Junior Police Academy - An educational program for students, taught by school resource officers and/or police officers in drug and gang free environments. The program teaches the students responsibility for their actions and respect for our judicial system. The program includes materials for a semester course for credit, an after school program and a summer camp. With 60 course lessons, including lesson plans, exams, suggested field trips and guest speakers, this comprehensive program was developed to be used by the instructor to best fit their specific circumstances. One of the main objectives of the program is to train and inspire police officers and SRO's through the program's Instructor Resources.

4c (Code:) (Expenses \$ 420,795. including grants of \$) (Revenue \$)

Proceed with Caution - Public Awareness Campaign. The Organization develops and provides educational materials for the law enforcement and general community designed to promote a safer working environment for law enforcement through public awareness campaigns, online resources and direct mail. "Proceed with Caution" reaches over 1 million households each year urging citizens to obey roadway safety. More officers are killed by careless motorists than by armed criminals.

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

(Expenses \$ 93,667. including grants of \$) (Revenue \$ 630.)

4e Total program service expenses 2,718,702.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

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Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Input box for Schedule O

Table with columns for question number, description, and Yes/No responses. Includes questions 1a through 14b regarding Form 1096, W-2G, Form 990-T, and other IRS filings.

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

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	4			
b Enter the number of voting members included in line 1a, above, who are independent		3		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6 Did the organization have members or stockholders?	6			X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a			X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?	8a		X	
b Each committee with authority to act on behalf of the governing body?	8b			X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			X

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

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13 Did the organization have a written whistleblower policy?	X	
14 Did the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	X	
b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	X	
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **VA, MD, NC, IN, TN, IL, FL, NY, NJ, CO, WA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **The Organization - (800)961-9973**
1009 West 6th Street, No. 205, Austin, TX 78703

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	5,758,695.				
	g	Noncash contributions included in lines 1a-1f: \$		9,528.				
	h	Total. Add lines 1a-1f		5,758,695.				
Program Service Revenue	2 a	Junior Police Academy	Business Code 812900	4,688.	4,688.			
	b	Online Police Academy	812900	630.	630.			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		5,318.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)						
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross rents	(i) Real	(ii) Personal				
	b	Less: rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b	Less: cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)						
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
b	Less: direct expenses	b						
c	Net income or (loss) from fundraising events							
9 a	Gross income from gaming activities. See Part IV, line 19	a						
b	Less: direct expenses	b						
c	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances	a						
b	Less: cost of goods sold	b						
c	Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code					
11 a	Litigation Settlement	90099	105,000.			105,000.		
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d		105,000.					
12	Total revenue. See instructions.		5,869,013.	5,318.	0.	105,000.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	37,000.	37,000.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	406,157.	225,226.	178,283.	2,648.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,544,259.	1,195,802.	508,852.	839,605.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	47,501.	27,879.	18,341.	1,281.
10 Payroll taxes	293,031.	141,011.	65,534.	86,486.
11 Fees for services (non-employees):				
a Management				
b Legal	22,445.		3,768.	18,677.
c Accounting	32,347.		32,347.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	113,761.	57,051.	21,400.	35,310.
12 Advertising and promotion				
13 Office expenses	370,846.	181,592.	80,431.	108,823.
14 Information technology	3,528.	3,528.		
15 Royalties				
16 Occupancy	160,868.	75,528.	38,439.	46,901.
17 Travel	31,729.	22,920.	8,514.	295.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,394.		2,394.	
23 Insurance	15,155.	5,665.	5,512.	3,978.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a List aquisition	686,447.	322,630.	137,289.	226,528.
b Postage, printing and p	540,984.	262,484.	105,875.	172,625.
c Equipment rental	341,246.	160,386.	68,249.	112,611.
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	5,649,698.	2,718,702.	1,275,228.	1,655,768.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here <input checked="" type="checkbox"/> If following SOP 98-2 (ASC 958-720)	4,957,943.	2,330,234.	991,588.	1,636,121.

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	137,462.	1	146,962.
	2	Savings and temporary cash investments	771.	2	402.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	4,652.	4	1,071.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	7,405.	9	19,816.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	46,483.		
	10b	Less: accumulated depreciation	30,642.	10c	15,841.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	13,014.	15	14,364.
16	Total assets. Add lines 1 through 15 (must equal line 34)	172,010.	16	198,456.	
Liabilities	17	Accounts payable and accrued expenses	156,495.	17	134,459.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	288,000.	25	117,167.
	26	Total liabilities. Add lines 17 through 25	444,495.	26	251,626.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	-272,485.	27	-53,170.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	-272,485.	33	-53,170.	
34	Total liabilities and net assets/fund balances	172,010.	34	198,456.	

Form 990 (2012)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,869,013.
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,649,698.
3	Revenue less expenses. Subtract line 2 from line 1	3	219,315.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-272,485.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-53,170.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2012)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	6251093.	5628527.	4202435.	5916590.	5758695.	27757340.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	6251093.	5628527.	4202435.	5916590.	5758695.	27757340.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						27757340.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	6251093.	5628527.	4202435.	5916590.	5758695.	27757340.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3,094.	109.	164.	149.		3,516.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)		721.		226.		947.
11 Total support. Add lines 7 through 10						27761803.
12 Gross receipts from related activities, etc. (see instructions)					12	117,922.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	99.98	%
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	99.96	%
16a 33 1/3% support test - 2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>			
b 33 1/3% support test - 2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
17a 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
b 10% -facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>			

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No. 1545-0047

2012
Open to Public
Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
- Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____
- Number of states where property subject to conservation easement is located ▶ _____
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____
- Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No
- In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

- If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
- If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____
- If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

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

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

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

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

	Amount
1c	
1d	
1e	
1f	

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

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization

by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

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

4 Describe in Part XIII the intended uses of the organization's endowment funds.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		46,483.	30,642.	15,841.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				15,841.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

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

(a) Description	(b) Book value
(1) Security deposit	14,364.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Consent judgement and settlement agreement	100,500.
(3) Contingent liability for civil penalty	16,667.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	5,764,013.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	5,764,013.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	105,000.
c	Add lines 4a and 4b	4c	105,000.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	5,869,013.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	5,649,698.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	5,649,698.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	5,649,698.

Part XIII Supplemental Information
 Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XI, Line 4b - Other Adjustments:		
Litigation Settlement		105,000.

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
- 3 Enter total number of other organizations listed in the line 1 table

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

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Survivor Benefits	19	37,000.	0.	Actual value	

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Schedule I, Part I, Line 2: The number of recipients for the survivor benefits is an actual number which is tracked as direct payments are made.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public
Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

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

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

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

- | | |
|---|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

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

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

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

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

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

	Yes	No
1a		
1b		
2		
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2012

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) David Dierks Secretary	(i)	134,000.	0.	0.	0.	20,746.	154,746.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Part I, Line 3: The Board set the compensation for the CEO and other officers after extended discussions regarding national salary comparisons of similarly situated organizations with similar positions, health and pension benefits and authority of the CEO.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2012

Open to Public
Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

Form 990, Part I, Line 1, Description of Organization Mission:

The charity will develop and produce educational materials for the law enforcement and general community including:

*Providing educational programming for positive interaction between law enforcement and youth in school, after-school and summer camp settings;

*Promoting a safer work environment for law enforcement through a public awareness campaign;

*Providing benefits to the law enforcement community through Survivor Network, a comprehensive approach to assisting departments in a line of duty funeral, including educational resources and protocols, as well as survivor support services for families and co-workers.

Form 990, Part III, Line 2, New Program Services:

Online Police Academy - Provides America's law enforcement professionals with authoritative and engaging distance learning opportunities -- from "Perspectives on Terrorism" to "Violence on School Campuses". Featuring courses written by recognized experts in their field, each of our distinguished instructors either conducts courses in resident universities, professional training facilities, state certified police academies, or is in a department training office.

Form 990, Part III, Line 4d, Other Program Services:

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.
232211
01-04-13

Schedule O (Form 990 or 990-EZ) (2012)

Name of the organization Police Protective Fund	Employer identification number 74-2864446
--	--

Online Police Academy - Provides America's law enforcement professionals with authoritative and engaging distance learning opportunities -- from "Perspectives on Terrorism" to "Violence on School Campuses". Featuring courses written by recognized experts in their field, each of our distinguished instructors either conducts courses in resident universities, professional training facilities, state certified police academies, or is in a department training office.

Expenses \$ 93,667. including grants of \$ 0. Revenue \$ 630.

Form 990, Part VI, Section A, line 8b: The governing body and management are the same. All meetings are held and documented. There are no others who can act on behalf of the board.

Form 990, Part VI, Section B, line 11: The Organization has a board meeting to review the Form 990.

Form 990, Part VI, Section B, Line 12c: Each board member must disclose if there is a possible conflict of interest. When the conflict is relevant to a circumstance, the interested person will not participate in such matters.

Form 990, Part VI, Section B, Line 15: The Board set the compensation for the CEO and other officers after extended discussions regarding national salary comparisons of similarly situated organizations with similar positions, health and pension benefits and authority of the CEO.

Form 990, Part VI, Section C, Line 18: The Organization makes its Form 1023 available upon request. The Organization makes its Form 990 available

232212
01-04-13

Schedule O (Form 990 or 990-EZ) (2012)

Name of the organization Police Protective Fund	Employer identification number 74-2864446
--	--

on its website or upon request.

Form 990, Part VI, Section C, Line 19: All governing documents, conflict of interest policy and financial statements are available to the public upon request.

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization **Police Protective Fund** Employer identification number **74-2864446**

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
American Association of Police Officers - 74-2586522, 1009 West 6th Street, #205, Austin, TX 78703	To promote effective and safe law enforcement	Texas	501(c)(3)	170(b)(1)(A)	N/A		X

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

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

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) American Association of Police Officers	C	12,385.	Fair Market Value
(2)			
(3)			
(4)			
(5)			
(6)			

Part VII Supplemental Information

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

Lined area for supplemental information.

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).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. Police Protective Fund	Employer identification number (EIN) or 74-2864446
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. 1009 West 6th Street , No. 205	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Austin, TX 78703	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

The Organization

- The books are in the care of ▶ **1009 West 6th Street , No. 205 - Austin, TX 78703**
Telephone No. ▶ **(800)961-9973** FAX No. ▶ _____

- 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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **August 15, 2013**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2012** or
▶ tax year beginning _____, and ending _____.

2 If the tax year entered in line 1 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.	3a	\$	0.
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.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868 (Rev. 1-2013)

EXHIBIT C

POLICE PROTECTIVE FUND

*FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT*

December 31, 2012 and 2011

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<i>Statements of Cash Flows</i>	6
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James E. Raftery, CPA, PC

606 N. Stapley Drive
Mesa, Arizona 85203

(480) 835-1040
FAX (480) 835-8832

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Police Protective Fund
Austin, Texas

I have audited the accompanying financial statements of Police Protective Fund, a nonprofit organization, which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

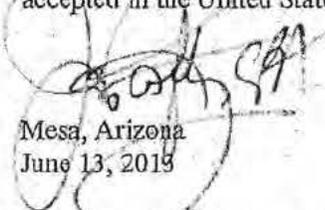
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Police Protective Fund as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.


Mesa, Arizona
June 13, 2013

POLICE PROTECTIVE FUND
STATEMENTS OF FINANCIAL POSITION
December 31,

	2012	2011
ASSETS		
<i>Current Assets</i>		
Cash	\$ 147,364	\$ 138,233
Accounts receivable	1,071	4,652
Prepaid expenses	19,816	7,405
Total Current Assets	168,251	150,290
<i>Property and Equipment, net</i>	15,841	8,706
<i>Other Assets - Security deposits</i>	14,364	13,014
	\$ 198,456	\$ 172,010
LIABILITIES AND NET DEFICIT		
<i>Current Liabilities</i>		
Accounts payable	\$ 66,876	\$ 59,835
Accrued liabilities	67,583	96,660
Current portion of consent judgment and settlement agreement	49,167	190,000
Total Current Liabilities	183,626	346,495
<i>Long Term Liabilities - Long term portion of consent judgment and settlement agreement</i>	68,000	98,000
<i>Net Deficit - Unrestricted</i>	(53,170)	(272,485)
	\$ 198,456	\$ 172,010

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENTS OF ACTIVITIES
For the Years Ended December 31,

	2012	2011
<i>Unrestricted Net Assets</i>		
Revenue and Other Support		
Contributions	\$ 5,749,167	\$ 5,924,194
Program income	5,318	-
Gifts-in-kind income	9,528	-
Miscellaneous income	-	226
Interest income	-	149
	5,764,013	5,924,569
<i>Expenses</i>		
Program services	2,718,702	2,718,445
Management services	1,275,228	662,333
Fundraising services	1,655,768	2,536,996
	5,649,698	5,917,774
<i>Other Income</i>		
Gain on settlement of litigation	105,000	-
	105,000	-
Increase in Unrestricted Net Assets	219,315	6,795
<i>Net Deficit, Beginning of Year</i>	(272,485)	(279,280)
<i>Net Deficit, End of Year</i>	\$ (53,170)	\$ (272,485)

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2012

	Program	Supporting Services		Totals
	Services	Management	Fundraising	
Wages	\$ 1,195,802	\$ 508,852	\$ 839,605	\$ 2,544,259
List acquisition	322,630	137,289	226,528	686,447
Postage	199,206	82,915	134,741	416,862
Officer salaries	188,746	154,284	970	344,000
Equipment rental	160,386	68,249	112,611	341,246
Payroll taxes	141,011	65,534	86,486	293,031
Telephone	119,624	51,939	79,686	251,249
Printing and publications	63,278	22,960	37,884	124,122
Rent	55,484	29,910	32,827	118,221
Employee benefits	64,359	42,340	2,959	109,658
Caging and payroll processing	50,291	21,400	35,310	107,001
Taxes, licenses, and fees	21,525	9,160	15,114	45,799
Utilities	20,044	8,529	14,074	42,647
Office supplies	24,939	10,572	3,480	38,991
Grants	37,000	-	-	37,000
Accounting fees	-	32,347	-	32,347
Travel	22,920	8,514	295	31,729
Legal fees	-	3,768	18,677	22,445
Bank fees	9,433	6,177	6,280	21,890
Insurance	5,665	5,512	3,978	15,155
Repairs and maintenance	4,031	1,715	2,830	8,576
Contract labor	6,760	-	-	6,760
Dues and subscriptions	2,040	868	1,433	4,341
Website	3,528	-	-	3,528
Depreciation	-	2,394	-	2,394
	<u>\$ 2,718,702</u>	<u>\$ 1,275,228</u>	<u>\$ 1,655,768</u>	<u>\$ 5,649,698</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2011

	Program	Supporting Services		Totals
	Services	Management	Fundraising	
Wages	\$ 1,232,372	\$ 163,341	\$ 1,319,718	\$ 2,715,431
List acquisition	271,416	37,011	308,428	616,855
Postage	195,470	27,285	219,102	441,857
Equipment rental	152,818	20,839	173,656	347,313
Officer salaries	174,849	113,679	-	288,528
Payroll taxes	129,575	24,277	127,425	281,277
Telephone	110,663	18,516	118,444	247,623
Employee benefits	85,312	38,018	22,101	145,431
Penalty	-	140,000	-	140,000
Printing and publications	69,989	7,229	60,244	137,462
Rent	60,496	15,047	60,281	135,824
Caging and payroll processing	45,568	6,214	51,781	103,563
Grants	58,000	-	-	58,000
Office supplies	25,279	8,433	6,587	40,299
Utilities	17,338	2,364	19,703	39,405
Taxes, licenses, and fees	16,898	2,304	19,203	38,405
Travel	23,163	11,461	-	34,624
Bank fees	9,417	2,306	10,240	21,963
Accounting fees	-	19,175	-	19,175
Repairs and maintenance	5,739	783	6,521	13,043
Contributions	12,918	-	-	12,918
Contract labor	11,280	-	-	11,280
Insurance	4,300	586	4,887	9,773
Legal fees	-	2,420	6,061	8,481
Dues and subscriptions	2,179	297	2,477	4,953
Website	3,406	-	-	3,406
Depreciation	-	748	-	748
Professional fundraising fees	-	-	137	137
	<u>\$ 2,718,445</u>	<u>\$ 662,333</u>	<u>\$ 2,536,996</u>	<u>\$ 5,917,774</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENTS OF CASH FLOWS
For the Years Ended December 31,

	<u>2012</u>	<u>2011</u>
<i>Cash Flows from Operating Activities:</i>		
Cash received from income and grantors	\$ 5,758,065	\$ 5,919,768
Cash paid to suppliers, grantees and employees	(5,747,584)	(5,825,366)
Interest Income	-	149
	<u>10,481</u>	<u>94,551</u>
<i>Cash Flows from Investing Activities:</i>		
Purchase of fixed assets	-	(9,454)
Security deposits	(1,350)	-
	<u>(1,350)</u>	<u>(9,454)</u>
Net Cash (Used In) Investing Activities	(1,350)	(9,454)
Net Increase in Cash	9,131	85,097
<i>Beginning Cash</i>	<u>138,233</u>	<u>53,136</u>
<i>Ending Cash</i>	<u><u>\$ 147,364</u></u>	<u><u>\$ 138,233</u></u>
<i>Reconciliation of Changes in Net Assets to Net Cash Provided By Operating Activities:</i>		
Increase in net assets	\$ 219,315	\$ 6,795
Adjustments to reconcile changes in net assets to cash provided by operating activities:		
Depreciation	2,394	748
Gain on settlement of litigation	(105,000)	-
Donated fixed assets	(9,529)	-
(Increase) Decrease in operating assets		
Receivable	-	(4,652)
Travel advance	3,581	-
Prepaid expenses	(12,411)	(2,496)
Security deposits	-	4,348
Increase (Decrease) in operating liabilities		
Accounts payable	7,041	(23,228)
Accrued liabilities	(29,077)	23,036
Consent judgment and settlement agreement payable	(65,833)	90,000
<i>Net Cash Provided By Operating Activities</i>	<u><u>\$ 10,481</u></u>	<u><u>\$ 94,551</u></u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Police Protective Fund, the Organization, reports in accordance with the American Institute of Certified Public Accountants Industry Audit Guide, Audits of Voluntary Health and Welfare Organizations. The Organization reports adhere to the following accounting policies:

Corporate Organization

The Organization was incorporated in the State of North Carolina on January 21, 1998, as a nonprofit corporation for the purpose of providing assistance to members of law enforcement and promoting effective law enforcement by increasing officer safety awareness through education. The Organization's in-house call center serves as its major source of contributions.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its statement of Accounting Standards Codification (ASC). Under the Standards for the Financial Statements of Not-For-Profit Organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no temporarily or permanently restricted net assets at December 31, 2012 and 2011.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

Fair Values of Financial Instruments

The Organization uses the following methods and assumptions in estimating its fair value disclosures for financial instrument:

Cash: The carrying amounts reported in the Statements of Financial Position approximate fair values because of the nature of this instrument.

The estimated fair value of the Organization's financial instrument, none of which is held for trading purpose, is as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash	\$ 147,364	\$ 147,364

The Organization estimates that the fair value of all financial instruments at December 31, 2012 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying Statements of Financial Position.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue and Support Recognition

Support restricted by the donor, grantor, or other outside party for particular operating purposes are deemed to be earned and reported as revenues of the current restricted fund when the Organization has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet expended are reported as temporarily or permanently restricted net assets.

The Organization recognizes pledges as revenue under FASB ASC, Not-For-Profit Entities: Revenue Recognition. Under the FASB ASC, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily or permanently restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. The Organization qualifies for the charitable contribution deduction under Section 170 and has also been classified as an entity that is not a private foundation within the meaning of Section 509(a).

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with an initial maturity dates of less than three months.

Property and Equipment

The Organization capitalizes all acquisition of property and equipment in excess of \$1,000 and records property and equipment at cost. Depreciation is recognized using the straight-line method over the assets' estimated useful life of five to seven years.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Date of Management's Review

In preparing these financial statements, the Organization's management has evaluated events and transactions for potential recognition or disclosure through June 13, 2013, the date the financial statements were available for issuance.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited as estimated by the Organization's management.

Joint Cost Allocation

The Organization achieves some of its program, management and general goals by conducting activities that include requests for contributions as well as program activities of the Organization. The costs of conducting those campaigns for the years ended December 31, 2012 and 2011 included a total of \$4,884,267 and \$5,060,291, respectively, of joint costs that are not directly attributable to either the program or management and general components or the fund-raising component of the activities. Those joint costs were allocated as follows:

	2012	2011
Program	\$ 2,330,234	\$ 2,226,528
Management	991,588	303,617
Fundraising	1,636,121	2,530,146
	\$ 4,957,943	\$ 5,060,291

Fair Value Measurement

The Organization measures the fair value of donated fixed assets in accordance with FASB ASC, Fair Value Measurements and Disclosures. The standard provides a hierarchy for prioritizing inputs to valuation techniques:

- Level 1 - inputs are unadjusted quoted prices in active markets.
- Level 2 - inputs are observable market data, generally other than quoted prices.
- Level 3 - inputs are significant unobservable data.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fair Value Measurement (Cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Donated fixed assets consisted of a vehicle and office furniture for the year ended December 31, 2012 was \$9,529. The fair value is determined based on Level 3 input obtained from Kelly Blue Book.

NOTE B – PROPERTY AND EQUIPMENT

Property and equipment are summarized by major classification as follows at December 31,:

	2012	2011
Equipment and vehicles	\$ 46,483	\$ 36,954
Less: Accumulated Depreciation	(30,642)	(28,248)
	\$ 15,841	\$ 8,706

Depreciation expense was \$2,394 and \$748 for the years ended December 31, 2012 and 2011, respectively.

NOTE C – RELATED PARTY TRANSACTIONS

The American Association of Police Officers (AAPO), formerly the National Association of Veteran Police Officers, is a nonprofit corporation qualified under Section 501(c) (3) of the U.S. Internal Revenue Code and was organized to provide information services as an educational organization for active and retired police personnel nationwide. Police Protective Fund and AAPO share common management and board of directors. For the year ended December 31, 2011, Police Protective Fund paid AAPO \$12,918 in grants and benefits. There were no grants and benefits paid to AAPO for the year ended December 31, 2012. AAPO ceased operation and liquidated on July 30, 2012. All fixed assets were donated to the Organization in 2012. Total fair value of the fixed assets donated by AAPO to the Organization was \$9,529 based on Level 3 input, which included a vehicle and office equipment. AAPO reimbursed the Organization \$2,880 in legal fees to dissolve the AAPO organization. The Organization paid AAPO \$1,300 during 2012 to take over the lease deposit for the shared office.

NOTE D – DEFINED CONTRIBUTION PLAN

The Organization maintains a 403(b) tax sheltered annuity retirement plan that covers staff employees who meet certain eligibility requirements. Eligible employees may elect to defer a portion of their salaries up to the maximum set forth by the Internal Revenue Service. The Organization does not contribute to this plan.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE E – CONSENT JUDGMENT AND SETTLEMENT AGREEMENT

On April 25, 2008, Police Protective Fund signed a consent judgment with the State of Missouri settling litigation in which the State contested the Organization’s methods of initiating unsolicited telephone calls to Missouri residential telephone subscribers. In response to this litigation, the Organization consented to make payments totaling \$450,000 into a Merchandise Practices Revolving Fund. The Organization allocated these payments in several parts. Of the original \$450,000 amount, the Organization was required to pay \$200,000 within ninety days of the entry and approval of the consent judgment, which was done on July 24, 2008. Of the remaining \$250,000, the Organization allocated \$100,000 to the cost of investigation and prosecution of the previously mentioned litigation, and dedicated \$150,000 in support of law enforcement activities, officers and their families. The \$100,000 and \$150,000 balances were to be paid on or before August 1, 2010 and 2009, respectively, under the original agreement. Beginning January 2010, the remaining balance was to be paid by the Organization in monthly installments of \$2,500 until paid in full. The Organization paid \$27,500 and \$30,000 in 2012 and 2011, respectively.

On July 13, 2010, the Organization signed a settlement agreement with the State of California in which the Organization did not admit fault. The Organization agreed to make payments totaling \$60,000 to the California Department of Justice for attorney fees and costs incurred by the Charitable Trusts Section. The funds are reserved exclusively for the administration and enforcement responsibilities of the California Attorney General and the Charitable Trusts Section. The Organization has structured its payments to the California Department of Justice as follows: the Organization will pay \$20,000 within thirty days of the execution of the settlement agreement, \$20,000 on or before August 13, 2011, and \$20,000 on or before August 13, 2012. The Organization paid \$20,000 in 2012 and 2011.

On August 12, 2012, the Organization signed a settlement agreement, admitting no fault, with The Office of the Secretary of Tennessee. The Organization agreed to make payments totaling \$35,000 to the Secretary of Tennessee, Division of Charitable Solicitations and Gaming. The Organization paid \$18,333 in 2012. The Organization has accrued the remaining penalties of \$16,667 at December 31, 2012 and is scheduled to pay the penalties in full by September 1, 2013 per the agreement with the state.

Penalty payments under consent judgment and settlement agreement are as follow for the years ending December 31,:

<u>Year</u>	
2013	\$ 49,167
2014	30,000
2015	30,000
Thereafter	<u>8,000</u>
	<u>\$ 117,167</u>

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE F – LINE OF DUTY DEATH BENEFIT

The Organization has provided line of duty death benefits and officer down crisis packages. The packages provide direct relief to the police department of the downed officer, which includes line of duty death benefit funeral planning assistance, survivor counseling contacts, and emergency cash for surviving beneficiary. The Organization has paid out a total of \$37,000 and \$58,000 in benefits as of December 31, 2012 and 2011, respectively.

NOTE G – ACCRUED EXPENSES

Accrued expenses at December 31, 2012 and 2011 consisted of accrued payroll of \$ 67,583 and \$96,660, respectively.

NOTE H – LEASE COMMITMENTS

The Organization conducts its operations from various leased facilities. The various leases expire through January 31, 2015. Generally the leases contain renewal options for a period of one year. The total rent expense for these facilities for the years ended December 31, 2012 and 2011 was \$118,221 and \$135,824, respectively. The Organization has also entered into an operating lease for equipment. The lease expires on December 31, 2013 with a yearly renewal option. The total rent expense for the leased equipment for the years ended December 31, 2012 and 2011 was \$341,246 and \$347,313, respectively.

Minimum future lease payments under these operating leases are as follow for the years ending December 31,:

<u>Year</u>	
2013	\$ 427,402
2014	64,453
2015	<u>2,640</u>
	<u>\$ 494,495</u>

EXHIBIT D

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)

Department of the Treasury
Internal Revenue Service

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

A For the 2011 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Police Protective Fund		D Employer identification number 74-2864446
	Doing Business As		
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	E Telephone number
	1009 West 6th Street		(800)961-9973
	City or town, state or country, and ZIP + 4 Austin, TX 78703		G Gross receipts \$ 5,924,569.
F Name and address of principal officer: Phil LeConte same as C above			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
			If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(c) Group exemption number ▶
J Website: ▶ http://policeprotectivefund.org			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 2001	M State of legal domicile: TX

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Police Protective Fund is a 501(c)(3) organized to promote officer safety through education.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	4
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	3
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	516
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	4,136,769.	5,916,590.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	7,604.
	11 Other revenue (Part VIII, column (A), lines 5, 5d, 8c, 9c, 10c, and 11e)	-3,010.	149.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,996.	226.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	4,140,755.	5,924,569.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	203,459.	70,918.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	2,254,310.	3,430,667.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 2,536,996.	58,670.	137.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,585,936.	2,416,052.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,102,375.	5,917,774.
19 Revenue less expenses. Subtract line 18 from line 12	38,380.	6,795.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	75,407.	172,010.
	22 Net assets or fund balances. Subtract line 21 from line 20	354,687.	444,495.
		-279,280.	-272,485.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer 	Date 08 AUG. 2012
	David Dierks, Secretary Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name James E Raftery, CPA	Date 08/03/12
	Firm's name ▶ James E. Raftery, CPA PC	Check <input type="checkbox"/> self-employed PTIN P00482312
	Firm's address ▶ 606 N. Stapley Drive Mesa, AZ 85203	Firm's EIN ▶ 86-0503405
		Phone no. 480-835-1040

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

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 **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. Police Protective Fund	Employer identification number (EIN) or <input checked="" type="checkbox"/> 74-2864446
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. 1009 West 6th Street, No. 205	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Austin, TX 78703	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

The Organization

- The books are in the care of ▶ **1009 West 6th Street, No. 205 - Austin, TX 78703**
 Telephone No. ▶ **(800)961-9973** FAX No. ▶ _____
- 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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **August 15, 2012**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year **2011** or
 ▶ tax year beginning _____, and ending _____

2 If the tax year entered in line 1 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.	3a	\$	0.
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.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 1-2012)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

To promote the safety and well being of law enforcement officers through educational programs and public awareness campaigns

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No

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

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

4a (Code:) (Expenses \$ 1,369,087. including grants of \$ 70,918.) (Revenue \$)

Officer Down Crisis Response - A comprehensive approach to assisting departments in a line of duty death, including educational courses and protocols, as well as survivor support services for the families and co-workers. Training is provided to law enforcement management and chaplains in classroom settings by experts in funeral planning, department protocol development and chaplain services. Original educational materials are available through online content as well as DVDs and printed format.

4b (Code:) (Expenses \$ 608,814. including grants of \$) (Revenue \$ 7,604.)

Junior Police Academy - An educational program for students, taught by school resource officers and/or police officers in drug and gang free environments. The program teaches the students responsibility for their actions and respect for our judicial system. The program includes materials for a semester course for credit, an after school program and a summer camp. With 60 course lessons, including lesson plans, exams, suggested field trips and guest speakers, this comprehensive program was developed to be used by the instructor to best fit their specific circumstances. One of the main objectives of the program is to train and inspire police officers and SRO's through the program's Instructor Resources.

4c (Code:) (Expenses \$ 740,544. including grants of \$) (Revenue \$ 226.)

Proceed with Caution - Public Awareness Campaign. The Organization develops and provides educational materials for the law enforcement and general community designed to promote a safer working environment for law enforcement through public awareness campaigns, online resources and direct mail. "Proceed with Caution" reaches over 1 million households each year urging citizens to obey roadway safety. More officers are killed by careless motorists than by armed criminals.

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses 2,718,445.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		

Form 990 (2011)

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	X	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a through 14b regarding IRS filings and tax compliance.

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

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

Section A. Governing Body and Management

Table with columns for question number, description, and Yes/No responses. Includes questions 1a through 9 regarding governing body members, relationships, and documentation.

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

Table with columns for question number, description, and Yes/No responses. Includes questions 10a through 16b regarding local chapters, written policies, and joint ventures.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed VA, MD, NC, IN, TN, IL, FL
18 Section 8104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: The Organization - (800)961-9973
1009 West 6th Street, No. 205, Austin, TX 78703

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	5,916,590.			
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f		5,916,590.			
Program Service Revenue	2 a <u>Junior Police Academy</u>	Business Code 812900	6,764.	6,764.		
	b <u>Online Police Academy</u>	812900	840.	840.		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		7,604.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		149.		149.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a				
		b Less: direct expenses	b			
c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a <u>Misc Income</u>	900099	226.	226.			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		226.				
12 Total revenue. See instructions.		5,924,569.	7,830.	0.	149.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	12,918.	12,918.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	58,000.	58,000.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	326,584.	197,173.	123,627.	5,784.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,715,431.	1,232,372.	163,341.	1,319,718.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	107,375.	62,988.	28,070.	16,317.
10 Payroll taxes	281,277.	129,575.	24,277.	127,425.
11 Fees for services (non-employees):				
a Management				
b Legal	8,481.		2,420.	6,061.
c Accounting	19,175.		19,175.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	137.			137.
f Investment management fees				
g Other	114,843.	56,848.	6,214.	51,781.
12 Advertising and promotion				
13 Office expenses	366,286.	170,175.	32,639.	163,472.
14 Information technology	3,406.	3,406.		
15 Royalties				
16 Occupancy	175,229.	77,834.	17,411.	79,984.
17 Travel	34,624.	23,163.	11,461.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	748.		748.	
23 Insurance	9,773.	4,300.	586.	4,887.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>List aquisition</u>	616,855.	271,416.	37,011.	308,428.
b <u>Postage, printing and p</u>	579,319.	265,459.	34,514.	279,346.
c <u>Equipment rental</u>	347,313.	152,818.	20,839.	173,656.
d <u>Penalties</u>	140,000.		140,000.	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	5,917,774.	2,718,445.	662,333.	2,536,996.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720)	5,074,420.	2,226,529.	303,616.	2,530,146.

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	52,070.	1	137,462.
	2	Savings and temporary cash investments	1,066.	2	771.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net		4	4,652.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	4,909.	9	7,405.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	36,954.	10a	
	b	Less: accumulated depreciation	28,248.	10b	
			0.	10c	8,706.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets. See Part IV, line 11	17,362.	15	13,014.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	75,407.	16	172,010.	
Liabilities	17	Accounts payable and accrued expenses	156,687.	17	156,495.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	198,000.	25	288,000.
	26	Total liabilities. Add lines 17 through 25	354,687.	26	444,495.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	-279,280.	27	-272,485.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	-279,280.	33	-272,485.	
34	Total liabilities and net assets/fund balances	75,407.	34	172,010.	

Form 990 (2011)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,924,569.
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,917,774.
3	Revenue less expenses. Subtract line 2 from line 1	3	6,795.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-279,280.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-272,485.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?		X
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2011)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	6881915.	6251093.	5628527.	4202435.	5916590.	28880560.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	6881915.	6251093.	5628527.	4202435.	5916590.	28880560.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						28880560.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	6881915.	6251093.	5628527.	4202435.	5916590.	28880560.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	5,960.	3,094.	109.	164.	149.	9,476.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)			721.		226.	947.
11 Total support. Add lines 7 through 10						28890983.
12 Gross receipts from related activities, etc. (see instructions)					12	7,604.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	99.96 %
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	99.91 %
16a 33 1/3% support test - 2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>	
b 33 1/3% support test - 2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10% -facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Schedule A (Form 990 or 990-EZ) 2011

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b **33 1/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

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

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

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

- 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenues included in Form 990, Part VIII, line 1
- (ii) Assets included in Form 990, Part X
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
- a Revenues included in Form 990, Part VIII, line 1
- b Assets included in Form 990, Part X

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

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

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

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

b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? Yes No

4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		36,954.	28,248.	8,706.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				8,706.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

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

(a) Description	(b) Book value
(1) Security deposit	13,014.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	
	13,014.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Consent judgement and settlement	
(3) agreement	148,000.
(4) Contingent liability for civil	
(5) penalty	140,000.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	
	288,000.

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public
Inspection

Name of the organization:

Police Protective Fund

Employer identification number:

74-2864446

Part I General Information on Grants and Assistance

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

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
American Association of Police Officers - 1009 West 6th Street, #205 - Austin, TX 78703	74-2586522	501(c)(3)	12,918.	0	Actual Value		To promote and provide information to police officers and citizens.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **1.**

3 Enter total number of other organizations listed in the line 1 table **0.**

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

Schedule I (Form 990) (2011)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Survivor Benefits	33	58,000.	0.	Actual value	

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Schedule I, Part I, Line 2: The Organization and the recipient of the grants during 2011 have overlap in their Board of Directors which facilitates monitoring use of grant funds.

The number of recipients for the survivor benefits is an actual number which is tracked as direct payments are made.

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Pinpoint Dialogix, Inc	Jim Williams is cur	616,855.	List Acquis		X
Data Entry and Technical S	Jim Williams is cur	347,313.	Equipment R		X
American Association of Po	Related Party 501(c	12,918.	Grant		X

Part V Supplemental Information

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

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Pinpoint Dialogix, Inc

(b) Relationship Between Interested Person and Organization:

Jim Williams is current employee of PPF and a partial owner of Pinpoint

(c) Amount of Transaction \$ 616,855.

(d) Description of Transaction: List Acquisition

(e) Sharing of Organization Revenues? = No

(a) Name of Person: Data Entry and Technical Services, Inc.

(b) Relationship Between Interested Person and Organization:

Jim Williams is current employee of PPF and a partial owner of Data Entry

(c) Amount of Transaction \$ 347,313.

(d) Description of Transaction: Equipment Rental

(e) Sharing of Organization Revenues? = No

(a) Name of Person: American Association of Police Officers

(b) Relationship Between Interested Person and Organization:

Related Party 501(c)(3)

(c) Amount of Transaction \$ 12,918.

(d) Description of Transaction: Grant

Part V Supplemental Information

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

(e) Sharing of Organization Revenues? = No

Multiple horizontal lines for supplemental information.

Supplemental Information to Form 990 or 990-EZ

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

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

Form 990, Part I, Line 1, Description of Organization Mission:

The charity will develop and produce educational materials for the law enforcement and general community including:

*Providing educational programming for positive interaction between law enforcement and youth in school, after-school and summer camp settings;

*Promoting a safer work environment for law enforcement through a public awareness campaign;

*Providing benefits to the law enforcement community through Survivor Network, a comprehensive approach to assisting departments in a line of duty funeral, including educational resources and protocols, as well as survivor support services for families and co-workers.

Form 990, Part VI, Section A, line 2: There is a familial relationship between the CEO and the JPA Director.

Form 990, Part VI, Section A, line 8b: The governing body and management are the same. All meetings are held and documented. There are no others who can act on behalf of the board.

Form 990, Part VI, Section B, line 11: The Organization has a board meeting to review the 990.

Form 990, Part VI, Section B, Line 12c: Each board member must disclose if

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

Schedule O (Form 990 or 990-EZ) (2011)

132211
01-23-12

Name of the organization <u>Police Protective Fund</u>	Employer identification number <u>74-2864446</u>
---	---

there is a possible conflict of interest. When the conflict is relevant to a circumstance, the interested person will not participate in such matters.

Form 990, Part VI, Section B, Line 15: The Board set the compensation for the CEO and other officers after extended discussions regarding national salary comparisons of similarly situated organizations with similar positions, health and pension benefits and authority of the CEO.

Form 990, Part VI, Section C, Line 18: The Organization makes its Form 1023 available upon request. The Organization makes its Form 990 available on its website or upon request.

Form 990, Part VI, Section C, Line 19: All governing documents, conflict of interest policy and financial statements are available to the public upon request.

Form 990, Part IX, Line 24d

Penalties

A civil penalty of \$140,000 was assessed by the State of Tennessee for a lapse of registration from September 29, to December 14, 2011. This penalty is currently under appeal.

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization: **Police Protective Fund** Employer identification number: **74-2864446**

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
American Association of Police Officers 74-2586522, 1009 West 6th Street, #205, Austin, TX 78703	To promote effective and safe law enforcement	Texas	501(c)(3)	170(b)(1)(A)	N/A		X

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Sale of assets to related organization(s)		X
g Purchase of assets from related organization(s)		X
h Exchange of assets with related organization(s)		X
i Lease of facilities, equipment, or other assets to related organization(s)		X
j Lease of facilities, equipment, or other assets from related organization(s)		X
k Performance of services or membership or fundraising solicitations for related organization(s)		X
l Performance of services or membership or fundraising solicitations by related organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
n Sharing of paid employees with related organization(s)		X
o Reimbursement paid to related organization(s) for expenses		X
p Reimbursement paid by related organization(s) for expenses		X
q Other transfer of cash or property to related organization(s)		X
r Other transfer of cash or property from related organization(s)		X

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) American Association of Police Officers	B	12,918.	Cash Value
(2)			
(3)			
(4)			
(5)			
(6)			

Depreciation and Amortization 990
 (Including Information on Listed Property)
 ▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return: **Police Protective Fund**
 Business or activity to which this form relates: **Form 990 Page 10**
 Identifying number: **74-2864446**

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	748.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year	/	40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return, Partnerships and S corporations - see instr.	22	748.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No
(a) Type of property (list vehicles first) (b) Date placed in service (c) Business/investment use percentage (d) Cost or other basis (e) Basis for depreciation (business/investment use only) (f) Recovery period (g) Method/Convention (h) Depreciation deduction (i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use 25
26 Property used more than 50% in a qualified business use: % % %
27 Property used 50% or less in a qualified business use: % % % S/L - S/L - S/L -
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles) (a) Vehicle (b) Vehicle (c) Vehicle (d) Vehicle (e) Vehicle (f) Vehicle
31 Total commuting miles driven during the year
32 Total other personal (noncommuting) miles driven
33 Total miles driven during the year. Add lines 30 through 32
34 Was the vehicle available for personal use during off-duty hours? Yes No Yes No Yes No Yes No Yes No Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?
36 Is another vehicle available for personal use?

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? Yes No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners
39 Do you treat all use of vehicles by employees as personal use?
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?
41 Do you meet the requirements concerning qualified automobile demonstration use?
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI. Amortization

(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code section (e) Amortization period or percentage (f) Amortization for this year
42 Amortization of costs that begins during your 2011 tax year:
43 Amortization of costs that began before your 2011 tax year 43
44 Total. Add amounts in column (f). See the instructions for where to report 44

EXHIBIT E

POLICE PROTECTIVE FUND

*FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT*

December 31, 2011 and 2010

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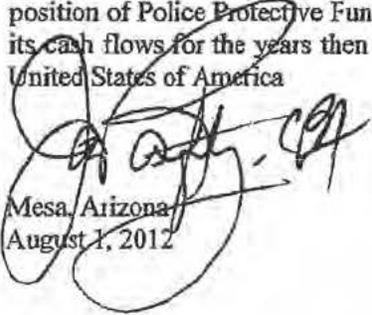
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Police Protective Fund
Austin, Texas

I have audited the accompanying statements of financial position of Police Protective Fund, a North Carolina nonprofit corporation, as of December 31, 2011 and 2010 and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Police Protective Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Police Protective Fund as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Mesa, Arizona
August 1, 2012

POLICE PROTECTIVE FUND
STATEMENTS OF FINANCIAL POSITION
December 31,

ASSETS

	2011	2010
<i>Current Assets</i>		
Cash	\$ 138,233	\$ 53,136
Travel advance	4,652	-
Postage deposit	7,405	4,909
Total Current Assets	150,290	58,045
 <i>Property and Equipment, net</i>	 8,706	 -
 <i>Other Assets - Security deposits</i>	 13,014	 17,362
	\$ 172,010	\$ 75,407

LIABILITIES AND NET DEFICIT

<i>Current Liabilities</i>		
Accounts payable	\$ 59,835	\$ 83,063
Accrued liabilities	96,660	73,624
Current portion of consent judgment and settlement agreement	190,000	50,000
Total Current Liabilities	346,495	206,687
 <i>Long Term Liabilities - Long term portion of consent judgment and settlement agreement</i>	 98,000	 148,000
 <i>Net Deficit - Unrestricted</i>	 (272,485)	 (279,280)
	\$ 172,010	\$ 75,407

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENTS OF ACTIVITIES
For the Years Ended December 31,

	<u>2011</u>	<u>2010</u>
<i>Unrestricted Net Assets</i>		
Revenue and Other Support		
Contributions	\$ 5,924,194	\$ 4,143,765
Miscellaneous income	226	-
Interest income	<u>149</u>	<u>164</u>
Total Unrestricted Revenue and Other Support	5,924,569	4,143,929
<i>Expenses</i>		
Program services	2,718,445	1,131,362
Management services	662,333	165,218
Fundraising	<u>2,536,996</u>	<u>2,805,795</u>
Total Expenses	<u>5,917,774</u>	<u>4,102,375</u>
<i>Other Losses</i>		
Loss on sale of assets	<u>-</u>	<u>(3,174)</u>
Total Other Losses	<u>-</u>	<u>(3,174)</u>
Increase in Unrestricted Net Assets	6,795	38,380
<i>Net Deficit, Beginning of Year</i>	<u>(279,280)</u>	<u>(317,660)</u>
<i>Net Deficit, End of Year</i>	<u>\$ (272,485)</u>	<u>\$ (279,280)</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2011

	Program	Supporting Services		Totals
	Services	Management	Fundraising	
Salaries	\$ 1,232,372	\$ 163,341	\$ 1,319,718	\$ 2,715,431
List acquisition	271,416	37,011	308,428	616,855
Postage	195,470	27,285	219,102	441,857
Officer salaries	174,849	113,679	-	288,528
Equipment rental	152,818	20,839	173,656	347,313
Payroll taxes	129,575	24,277	127,425	281,277
Telephone	110,663	18,516	118,444	247,623
Penalty	-	140,000	-	140,000
Employee benefits	85,312	38,018	22,101	145,431
Printing and publications	69,989	7,229	60,244	137,462
Rent	60,496	15,047	60,281	135,824
Caging and payroll processing fees	45,568	6,214	51,781	103,563
Member benefits	58,000	-	-	58,000
Office supplies	25,279	8,433	6,587	40,299
Utilities	17,338	2,364	19,703	39,405
Taxes, licenses, and fees	16,898	2,304	19,203	38,405
Travel	23,163	11,461	-	34,624
Bank fees	9,417	2,306	10,240	21,963
Accounting	-	19,175	-	19,175
Repairs and maintenance	5,739	783	6,521	13,043
Contributions	12,918	-	-	12,918
Contract labor	11,280	-	-	11,280
Insurance	4,300	586	4,887	9,773
Legal fees	-	2,420	6,061	8,481
Dues and subscriptions	2,179	297	2,477	4,953
Website	3,406	-	-	3,406
Depreciation expense	-	748	-	748
Professional fundraising fees	-	-	137	137
	<u>\$ 2,718,445</u>	<u>\$ 662,333</u>	<u>\$ 2,536,996</u>	<u>\$ 5,917,774</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2010

	Program	Supporting Services		Totals
	Services	Management	Fundraising	
Salaries	\$ 438,601	\$ 28,092	\$ 1,466,534	\$ 1,933,227
Postage	69,376	4,564	233,165	307,105
List acquisition	62,292	2,831	218,024	283,147
Equipment rental	47,807	2,173	167,323	217,303
Contributions	199,959	-	-	199,959
Telephone	43,960	2,158	152,387	198,505
Payroll taxes	37,564	1,707	131,476	170,747
Printing and publications	37,580	1,500	115,481	154,561
Executive compensation	78,870	35,850	4,780	119,500
Rent	31,301	2,772	77,002	111,075
Caging and payroll processing fees	16,009	728	56,033	72,770
Professional fundraising fees	-	-	58,670	58,670
Legal fees	-	40,834	11,527	52,361
Employee benefits	6,565	1,291	22,980	30,836
Office supplies	14,312	7,750	8,059	30,121
Utilities	7,720	1,144	19,727	28,591
Accounting	-	21,539	-	21,539
Taxes, licenses, and fees	4,356	198	15,245	19,799
Bank fees	4,360	243	14,851	19,454
Repairs and maintenance	-	-	15,889	15,889
Travel	14,054	-	-	14,054
Insurance	2,481	113	8,685	11,279
Dues and subscriptions	2,273	103	7,957	10,333
Website	5,802	-	-	5,802
Settlement agreement	-	3,750	-	3,750
Conferences and meetings	-	3,675	-	3,675
Member benefits	3,500	-	-	3,500
Contract labor	2,620	-	-	2,620
Depreciation expense	-	2,203	-	2,203
	<u>\$ 1,131,362</u>	<u>\$ 165,218</u>	<u>\$ 2,805,795</u>	<u>\$ 4,102,375</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENTS OF CASH FLOWS
For the Years Ended December 31,

	2011	2010
<i>Cash Flows from Operating Activities:</i>		
Cash received from income and grantors	\$ 5,919,768	\$ 4,145,250
Cash paid to suppliers, grantees and employees	(5,825,366)	(4,151,161)
Interest Income	149	164
Net Cash Provided By (Used In) Operating Activities	94,551	(5,747)
<i>Cash Flows from Investing Activities:</i>		
Purchase of fixed assets	(9,454)	-
Net Cash (Used In) Investing Activities	(9,454)	-
<i>Net Increase (Decrease) in Cash</i>	85,097	(5,747)
<i>Beginning Cash</i>	53,136	58,883
<i>Ending Cash</i>	\$ 138,233	\$ 53,136
<i>Reconciliation of Changes in Net Assets to Net Cash Provide By (Used In) Operating Activities:</i>		
Increase in net assets	\$ 6,795	\$ 38,380
Adjustments to reconcile changes in net assets to cash provided by (used in) operating activities:		
Depreciation	748	2,203
Loss on sale of assets	-	3,174
(Increase) Decrease in operating assets		
Receivable	-	1,485
Travel advance	(4,652)	-
Postage deposit	(2,496)	11,075
Security deposits	4,348	596
Increase (Decrease) in operating liabilities		
Accounts payable	(23,228)	(24,301)
Accrued liabilities	23,036	11,641
Consent judgment and settlement agreement payable	90,000	(50,000)
<i>Net Cash Provided By (Used In) Operating Activities</i>	\$ 94,551	\$ (5,747)

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Police Protective Fund, the “Organization”, reports in accordance with the American Institute of Certified Public Accountants Industry Audit Guide, Audits of Voluntary Health and Welfare Organizations. The Organization reports adhere to the following accounting policies:

Corporate Organization

The Organization was organized in the state of North Carolina on January 21, 1998, as a nonprofit corporation for the purpose of providing assistance to members of law enforcement and promoting effective law enforcement by increasing officer safety awareness through education. The Organization’s in-house call center serves as its major source of contributions.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its statement of Accounting Standards Codification (ASC). Under the Standards for the Financial Statements of Not-For-Profit Organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no temporary or permanently restricted net assets at December 31, 2011 and 2010.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

Fair Values of Financial Instruments

The Organization uses the following methods and assumptions in estimating its fair value disclosures for financial instrument:

Cash: The carrying amounts reported in the statement of financial position approximate fair values because of the nature of this instrument.

The estimated fair value of the Organization’s financial instrument, none of which is held for trading purpose, is as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash	\$ 138,233	\$ 138,233

The Organization estimates that the fair value of all financial instruments at December 31, 2011 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying Statements of Financial Position.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue and Support Recognition

Support restricted by the donor, grantor, or other outside party for particular operating purposes are deemed to be earned and reported as revenues of the current restricted fund when the Organization has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet expended are reported as temporarily or permanently restricted net assets.

The Organization recognizes pledges as revenue under FASB ASC, Not-For-Profit Entities: Revenue Recognition. Under the FASB ASC, the standard, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily or permanently restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization qualifies for the charitable contribution deduction under Section 170 and has also been classified as an entity that is not a private foundation within the meaning of Section 509(a).

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with an initial maturity dates of less than three months.

Property and Equipment

The Organization capitalizes all acquisition of property and equipment in excess of \$1,000 and records property and equipment at cost. Depreciation is recognized using the straight-line method over the assets' estimated useful life of five to seven years.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Date of Management's Review

In preparing these financial statements, Management has evaluated events and transactions for potential recognition or disclosure through August 1, 2012, the date the financial statements were available for issuance

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited as estimated by the Organization's management

Joint Cost Allocation

The Organization achieves some of its program, management and general goals by conducting activities that include requests for contributions as well as program activities of the Organization. The costs of conducting those campaigns for the years ended December 31, 2011 and 2010 included a total of \$5,060,291 and \$3,492,158, respectively, of joint costs that are not directly attributable to either the program or management and general components of the fund-raising component of the activities. Those joint costs were allocated as follows:

	<u>2011</u>	<u>2010</u>
Program	\$ 2,226,528	\$ 768,352
Management	304,617	34,919
Fundraising	<u>2,530,146</u>	<u>2,688,887</u>
Total	<u>\$ 5,060,291</u>	<u>\$ 3,492,158</u>

NOTE B – PROPERTY AND EQUIPMENT

Property and equipment are summarized by major classification as follows at December 31,:

	<u>2011</u>	<u>2010</u>
Equipment and vehicles	\$ 36,954	\$ 27,500
Less: Accumulated Depreciation	<u>(29,100)</u>	<u>(27,500)</u>
	<u>\$ 7,854</u>	<u>\$ -</u>

Depreciation expense was \$748 and \$2,203 for the years ended December 31, 2011 and 2010

NOTE C – DEFINED CONTRIBUTION PLAN

The Organization maintains a 403(b) tax sheltered annuity retirement plan that covers staff employees who meet certain eligibility requirements. Eligible employees may elect to defer a portion of their salaries up to the maximum set forth by the Internal Revenue Service. The Organization does not contribute to this plan.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE D – RELATED PARTY TRANSACTIONS

The American Association of Police Officers (AAPO), formerly the National Association of Veteran Police Officers, is a nonprofit corporation qualified under Section 501(c)(3) of the U S Internal Revenue Code and was organized to provide information services as an educational organization for active and retired police personnel nationwide. Police Protective Fund and AAPO share common management and board of directors. For the years ended December 31, 2011 and 2010, Police Protective Fund paid AAPO \$12,918 and \$199,959, respectively, in grants and benefits.

The Organization paid list acquisition costs of \$616,855 and \$283,147 and equipment rental costs of \$347,313 and \$217,303, respectively, in 2011 and 2010 to two companies. An employee of the Organization is the partial owner of both companies.

NOTE E – CONSENT JUDGEMENT AND SETTLEMENT AGREEMENT

On April 25, 2008, Police Protective Fund signed a consent judgment with the State of Missouri settling litigation in which the State contested the Organization's methods of initiating unsolicited telephone calls to Missouri residential telephone subscribers. In response to this litigation, the Organization consented to make payments totaling \$450,000 into a Merchandise Practices Revolving Fund. The Organization allocated these payments in several parts. Of the original \$450,000 amount, the Organization was required to pay \$200,000 within ninety days of the entry and approval of the consent judgment, which was done on July 24, 2008. Of the remaining \$250,000, the Organization allocated \$100,000 to the cost of investigation and prosecution of the previously mentioned litigation, and dedicated \$150,000 in support of law enforcement activities, officers and their families. The \$100,000 and \$150,000 balances were to be paid on or before August 1, 2010 and 2009, respectively, under the original agreement. Beginning January 2010, the remaining balance was to be paid by the Organization in monthly installments of \$2,500 until paid in full. The Organization paid \$30,000 in 2011 and 2010, respectively.

On July 13, 2010, the Organization signed a settlement agreement with the State of California in which the Organization did not admit fault. The Organization agreed to make payments totaling \$60,000 to the California Department of Justice for attorney fees and costs incurred by the Charitable Trusts Section. The funds are reserved exclusively for the administration and enforcement responsibilities of the California Attorney General and the Charitable Trusts Section. The Organization has structured its payments to the California Department of Justice as follows: the Organization will pay \$20,000 within thirty days of the execution of the settlement agreement, \$20,000 on or before August 13, 2011, and \$20,000 on or before August 13, 2012. The Organization paid \$20,000 in 2011 and 2010.

NOTE F – LINE OF DUTY DEATH BENEFIT

The Organization has provided line of duty death benefits and officer down crisis packages. The packages provides direct relief to the police department of the downed officer, which includes line of duty death benefit funeral planning assistance, survivor counseling contacts, and emergency cash for surviving beneficiary. The Organization has paid out a total of \$58,000 and \$3,500 in benefits as of December 31, 2011 and 2010, respectively.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE G – LEASE COMMITMENTS

The Organization conducts its operations from various leased facilities. The various leases expire through January 31, 2015. Generally the leases contain renewal options for a period of one year. The total rent expense for these facilities for the years ended December 31, 2011 and 2010 was \$135,824 and \$111,075, respectively. The Organization has also entered into an operating lease for equipment. The lease expires December 31, 2012 with a yearly renewal option. The total rent expense for the leased equipment for the years ended December 31, 2011 and 2010 was \$347,313 and \$217,303, respectively. Minimum future lease payments under these operating leases are as follow as of December 31,:

<u>Year</u>	
2012	\$ 150,695
2013	31,452
2014	31,452
2015	<u>2,621</u>
	<u>\$ 216,220</u>

NOTE H – SUBSEQUENT EVENT

On February 17, 2012, the Office of the Secretary of State of Tennessee, Division of Charitable Solicitations and Gaming, assessed a civil penalty against the Organization in the amount of \$140,000 for allegedly soliciting charitable contributions without being registered to do so. The Organization has accrued the penalties of \$140,000 at December 31, 2011.

EXHIBIT F

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)

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Police Protective Fund		D Employer identification number 74-2864446
	Doing Business As		E Telephone number 1-800-961-9973
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite	G Gross receipts \$ 4,202,599.	
	1009 West 6th Street City or town, state or country, and ZIP + 4 Austin, TX 78703	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see Instructions) H(c) Group exemption number ▶	
F Name and address of principal officer: Phil LeConte same as C above		I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
J Website: http://policeprotectivefund.org		K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	
L Year of formation: 2001		M State of legal domicile: TX	

Part II Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Police Protective Fund is a 501(c)(3) organized to promote officer safety through education.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	2
	5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	447
	6	Total number of volunteers (estimate if necessary)	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.
	b Net unrelated business taxable income from Form 990-T, line 34	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 5,628,527. Current Year: 4,136,769.
	9	Program service revenue (Part VIII, line 2g)	0. 0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	109. -3,010.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	721. 6,996.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,629,357. 4,140,755.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	684,438. 203,459.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	2,602,802. 2,254,310.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	276,170. 58,670.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	2,805,795.
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	2,156,713. 1,585,936.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 26)	5,720,123. 4,102,375.
	19	Revenue less expenses. Subtract line 18 from line 12	-90,766. 38,380.
	20	Total assets (Part X, line 16)	Beginning of Current Year: 99,687. End of Year: 75,407.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	417,347. 354,687.
	22	Net assets or fund balances. Subtract line 21 from line 20	-317,660. -279,280.

Part III Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date	31 AUG 2011
	David Dierks, Secretary Type or print name and title		
Preparer	Print preparer's name	Preparer's signature	Date
	JAMES RAFFERTY	<i>[Signature]</i>	08/29/11
Use Only	Firm's name	Firm's EIN	Check <input type="checkbox"/> self-employed
	James E. Rafferty, CPA PC		PTIN
Firm's address		Phone no.	
606 N. Stapley Drive Mesa, AZ 85203		480-835-1040	

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

- 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.** Only file the original (no copies needed).

Type or print File by the extended due date for filing your return. See instructions.	Name of exempt organization Police Protective Fund	Employer identification number 74-2864446
	Number, street, and room or suite no. If a P.O. box, see instructions. 1009 West 6th Street, No. 205	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Austin, TX 78703	

Enter the Return code for the return that this application is for (file a separate application for each return) **01**

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6089	11
Form 990-T (trust other than above)	06	Form 8870	12

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

Organization

- The books are in the care of **1009 West 6th Street, No. 205 - Austin, TX 78703**
Telephone No. **1-800-961-9973** FAX No. _____
- 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 15, 2011**.
- 5 For calendar year **2010**, or other tax year beginning _____, and ending _____.
- 6 If the tax year entered in line 5 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 is needed to gather information in order to file an accurate return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6089, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6089, 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.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

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 **Secretary** Title **Secretary** Date _____

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1. Briefly describe the organization's mission:

To promote the safety and well being of law enforcement officers through educational programs and public awareness campaigns

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

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

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

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

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

4a (Code:) (Expenses \$ 959,994. Including grants of \$ 203,459.) (Revenue \$) Office Down Crisis Response - A comprehensive approach to assisting departments in a line of duty death, including educational courses and protocols, as well as survivor support services for the families and co-workers. Training is provided to law enforcement management and chaplains in classroom settings by experts in funeral planning, department protocol development and chaplain services. Original educational materials are available through online content as well as DVDs and printed format.

4b (Code:) (Expenses \$ 25,555. Including grants of \$) (Revenue \$) Junior Police Academy - An educational program for students, taught by school resource officers and/or police officers in drug and gang free environments. The program teaches the students responsibility for their actions and respect for our judicial system. The program includes materials for a semester course for credit, an after school program and a summer camp. With 60 course lessons, including lesson plans, exams, suggested field trips and guest speakers, this comprehensive program was developed to be used by the instructor to best fit their specific circumstances. One of the main objectives of the program is to train and inspire police officers and SRO's through the program's Instructor Resources.

4c (Code:) (Expenses \$ 145,813. Including grants of \$) (Revenue \$) Proceed with Caution - Public Awareness Campaign. The Organization develops and provides educational materials for the law enforcement and general community designed to promote a safer working environment for law enforcement through public awareness campaigns, online resources and direct mail. "Proceed with Caution" reaches over 1 million households each year urging citizens to obey roadway safety. More officers are killed by careless motorists than by armed criminals.

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

(Expenses \$ Including grants of \$) (Revenue \$)

4e Total program service expenses 1,131,362.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule E, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-18? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in trust, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 8, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 8 and 11e? If "Yes," complete Schedule G, Part I	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Form 990 (2010)

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 19? If "Yes," complete Schedule I, Parts I and II	<input checked="" type="checkbox"/>	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 21? If "Yes," complete Schedule I, Parts I and III		<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		<input checked="" type="checkbox"/>
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		<input checked="" type="checkbox"/>
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to release any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations: Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		<input checked="" type="checkbox"/>
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		<input checked="" type="checkbox"/>
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		<input checked="" type="checkbox"/>
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	<input checked="" type="checkbox"/>	
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	<input checked="" type="checkbox"/>	
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		<input checked="" type="checkbox"/>
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		<input checked="" type="checkbox"/>
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		<input checked="" type="checkbox"/>
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		<input checked="" type="checkbox"/>
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		<input checked="" type="checkbox"/>
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	<input checked="" type="checkbox"/>	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		<input checked="" type="checkbox"/>
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations: Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		<input checked="" type="checkbox"/>
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		<input checked="" type="checkbox"/>
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 16? Note. All Form 990 filers are required to complete Schedule O	<input checked="" type="checkbox"/>	

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1099; Enter 0 if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter 0 if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TDF 9022.1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 9880-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(e):		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations: Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds:		
9a	Did the organization make any taxable distributions under section 4988?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers:		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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

Check if Schedule O contains a response to any question in this Part VII

Section A: Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year		
1b Enter the number of voting members included in line 1a, above, who are independent		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?		X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C: Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed: **VA, MD, NC, TN, IL, WI, OH, GA, NJ, FL, WA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **Organization - 1-800-961-9973
 1009 West 6th Street, No. 205, Austin, TX 78703**

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

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter 0 in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's current key employees, if any. See instructions for definition of "key employee."
- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 6 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Phil LeConte Chief Executive Officer	40.00	X		X			60,503.	0.	0.	
John Schneider Director	1.00	X					0.	0.	0.	
Suzanne D'Ambrose Director	1.00	X					0.	0.	0.	
Paul Kutac Treasurer	40.00			X			0.	56,250.	0.	
David Dierks Secretary	30.00			X			59,500.	20,550.	0.	

Part VII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns					
	b	Membership dues					
	c	Fundraising events					
	d	Related organizations					
	e	Government grants (contributions)					
	f	All other contributions, gifts, grants, and similar amounts not included above	ff 4,136,769.				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		4,136,769.			
Program Service Revenue	2 a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	164.	164.			
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross Rental	(i) Real (ii) Personal				
		Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
		Less: cost or other basis and sales expenses		3,174.			
	c	Gain or (loss)		-3,174.			
	d	Net gain or (loss)		-3,174.	-3,174.		
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a	65,666.			
		Less: direct expenses	b	58,670.			
		Net income or (loss) from fundraising events			6,996.	6,996.	
	9 a	Gross income from gaming activities. See Part IV, line 19	a				
Less: direct expenses		b					
Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances	a					
	Less: cost of goods sold	b					
	Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See instructions.		4,140,755.	-3,010.	0.	6,996.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
 All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	199,959.	199,959.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	3,500.	3,500.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 16 and 18				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	120,003.	78,870.	35,850.	5,283.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,933,227.	438,601.	28,092.	1,466,534.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	30,333.	6,565.	1,291.	22,477.
10 Payroll taxes	170,747.	37,564.	1,707.	131,476.
11 Fees for services (non-employees):				
a Management				
b Legal	52,361.		40,834.	11,527.
c Accounting	21,539.		21,539.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	58,670.			58,670.
f Investment management fees				
g Other	2,620.	2,620.		
12 Advertising and promotion				
13 Office expenses	294,101.	69,261.	10,452.	214,388.
14 Information technology	5,802.	5,802.		
15 Royalties				
16 Occupancy	139,666.	39,021.	3,916.	96,729.
17 Travel	14,054.	14,054.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	3,675.		3,675.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,203.		2,203.	
23 Insurance	11,279.	2,481.	113.	8,685.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If the 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a Postage	307,105.	69,376.	4,564.	233,165.
b List acquisition	283,147.	62,292.	2,831.	218,024.
c Equipment rental	217,303.	47,807.	2,173.	167,323.
d Printing and publication	154,561.	37,580.	1,500.	115,481.
e Gaging and payroll proc	72,770.	16,009.	728.	56,033.
f All other expenses	3,750.		3,750.	
25 Total functional expenses. Add lines 1 through 24f	4,102,375.	1,131,362.	165,218.	2,805,795.
26 Joint costs. Check here <input checked="" type="checkbox"/> if following SCP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.	3,492,058.	768,252.	34,919.	2,688,887.

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	58,883.	1	52,070.
	2 Savings and temporary cash investments		2	1,066.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,485.	4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employees and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	27,500.		
	10b Less: accumulated depreciation	27,500.	5,377.	0.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	33,942.	15	22,271.
16 Total assets. Add lines 1 through 15 (must equal line 34)	99,687.	16	75,407.	
Liabilities	17 Accounts payable and accrued expenses	169,347.	17	156,687.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	248,000.	23	198,000.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	417,347.	26	354,687.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	-317,660.	27	-279,280.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	-317,660.	33	-279,280.	
34 Total liabilities and net assets/fund balances	99,687.	34	75,407.	

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Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,140,755.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,102,375.
3	Revenue less expenses. Subtract line 2 from line 1	3	38,380.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-317,660.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-279,280.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		X
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

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Part III Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	5938902.	6881915.	6251093.	5628527.	4143765.	28844202.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	5938902.	6881915.	6251093.	5628527.	4143765.	28844202.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						28844202.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	5938902.	6881915.	6251093.	5628527.	4143765.	28844202.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	8,997.	5,960.	3,094.	109.	164.	18,324.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	7,000.			721.		7,721.
11 Total support. Add lines 7 through 10						28870247.

12 Gross receipts from related activities, etc. (see instructions) t2

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	99.91	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	99.89	%

- 16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization
- b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 18a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization
- 17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization
- b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization
- 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Total line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 8						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 513 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Not income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10a, 11 and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 8, 7, 9, 8, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
- Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

Held at the End of the Tax Year	
2a	
2b	
2c	
2d	
- Total number of conservation easements
- Total acreage restricted by conservation easements
- Number of conservation easements on a certified historic structure included in (c)
- Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶
- Number of states where property subject to conservation easement is located ▶
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$
- Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(f)(4)(B)(i) and section 170(f)(4)(B)(ii)? Yes No
- In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

- If the organization elected, as permitted under SFAS 110 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIV, the text of the footnote to its financial statements that describes these items.
- If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$	_____
(ii) Assets included in Form 990, Part X	▶ \$	_____
- If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

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

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

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

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

	Amount
1c	
1d	
1e	
1f	

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

b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Term endowment %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R7

4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		27,500.	27,500.	0.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				0.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.)		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.)		

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

(a) Description	(b) Book value
(1) Postage deposit	4,909.
(2) Security deposit	17,362.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.)	
	22,271.

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

(a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.)	

2. If the ASU (ASU) 7401-10, which provides the text of the liability to the organization's financial statements, exceeds the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

032010
12-20-10

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	4,140,755.
2	Total expenses (Form 990, Part IX, column (A), line 25)	4,102,375.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	38,380.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net). Add lines 4 through 8	0.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	38,380.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	4,143,929.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a	Net unrealized gains on investments	
b	Donated services and use of facilities	
c	Recoveries of prior year grants	
d	Other (Describe in Part XIV)	
e	Add lines 2a through 2d	0.
3	Subtract line 2e from line 1	4,143,929.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	
b	Other (Describe in Part XIV)	
c	Add lines 4a and 4b	-3,174.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	4,140,755.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	4,102,375.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a	Donated services and use of facilities	
b	Prior year adjustments	
c	Other losses	
d	Other (Describe in Part XIV)	
e	Add lines 2a through 2d	0.
3	Subtract line 2e from line 1	4,102,375.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	
b	Other (Describe in Part XIV)	
c	Add lines 4a and 4b	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	4,102,375.

Part XIV Supplemental Information

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

Part XII, Line 4b - Other Adjustments:

Loss from disposal of assets -3,174.

Part III Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$18,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))		
		Telephone Solicitation		None			
		(event type)	(event type)	(total number)			
Revenue	1	Gross receipts	65,666.			65,666.	
	2	Less: Charitable contributions					
	3	Gross income (line 1 minus line 2)	65,666.				65,666.
Direct Expenses	4	Cash prizes					
	5	Noncash prizes					
	6	Rent/facility costs					
	7	Food and beverages					
	8	Entertainment					
	9	Other direct expenses	58,670.				58,670.
	10	Direct expense summary. Add lines 4 through 9 in column (d)					58,670.
	11	Net income summary. Combine line 3, column (d), and line 10					6,996.

Part IV Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))	
		1	Gross revenue			
Direct Expenses	2	Cash prizes				
	3	Noncash prizes				
	4	Rent/facility costs				
	5	Other direct expenses				
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7	Direct expense summary. Add lines 2 through 5 in column (d)					()
8	Net gaming income summary. Combine line 1, column (d), and line 7					

9 Enter the state(s) in which the organization operates gaming activities: _____
 a Is the organization licensed to operate gaming activities in each of these states? Yes No
 b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
 b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____
 Address ▶ _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c If "Yes," enter name and address of the third party:

Name ▶ _____
 Address ▶ _____

16 Gaming manager information:

Name ▶ _____
 Gaming manager compensation ▶ \$ _____
 Description of services provided ▶ _____

 Director/officer Employee Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental information. Complete this part to provide the explanations required by Part I, line 2b, columns (ii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Schedule G, Part I, Line 2b, List of Ten Highest Paid Fundraisers:

(i) Name of Fundraiser: Community Support
 (i) Address of Fundraiser:
 312 East Wisconsin Avenue, Ste 408, Milwaukee, WI 53202

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States

OMB No. 1545-0047

2010

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

Open to Public Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

Part III General information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part IV Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part IV can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
American Association of Police Officers - 1009 West 6th Street, #265 - Austin, TX 78703	74-2586522	501(c)(3)	199,959.		0. Actual Value		To promote and provide information to police officers and citizens.

- 2 Enter total number of section 501(c)(3) and government organizations ▶ 1.
- 3 Enter total number of other organizations ▶ 0.

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

Schedule I (Form 990) (2010)

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Schedule I, Part I, Line 2: The Organization and the recipient of the grants during 2010 have overlap in their Board of Directors which facilitates monitoring use of grant funds.

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Pinpoint Dialogix, Inc	Former Key Employee	217,303	List Acquis		X
Data Entry and Technical S	Former Key Employee	283,147	Equipment R		X
Kelly LeConte	Employee related to	8,000	Wages		X

Part V Supplemental Information

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

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Pinpoint Dialogix, Inc

(b) Relationship Between Interested Person and Organization:

Former Key Employee Jim Williams is a partial owner

(c) Amount of Transaction \$ 217,303.

(d) Description of Transaction: List Acquisition

(e) Sharing of Organization Revenues? - No

(a) Name of Person: Data Entry and Technical Services, Inc.

(b) Relationship Between Interested Person and Organization:

Former Key Employee Jim Williams is a partial owner

(c) Amount of Transaction \$ 283,147.

(d) Description of Transaction: Equipment Rental

(e) Sharing of Organization Revenues? - No

(a) Name of Person: Kelly LeConte

(b) Relationship Between Interested Person and Organization:

Employee related to CEO

(c) Amount of Transaction \$ 8,000.

(d) Description of Transaction: Wages

Part V Supplemental Information

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

(e) Sharing of Organization Revenues? = No

Lined area for supplemental information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

Police Protective Fund

Employer identification number
74-2864446

Form 990, Part I, Line 1, Description of Organization Mission:

The charity will develop and produce educational materials for the law enforcement and general community including:

*Providing educational programming for positive interaction between law enforcement and youth in school, after-school and summer camp settings;

*Promoting a safer work environment for law enforcement through a public awareness campaign;

*Providing benefits to the law enforcement community through Survivor Network, a comprehensive approach to assisting departments in a line of duty funeral, including educational resources and protocols, as well as survivor support services for families and co-workers.

Form 990, Part VI, Section A, line 8b: The governing body and management are the same. All meetings are held and documented. There are no others who can act on behalf of the board.

Form 990, Part VI, Section B, line 11: The Organization has a board meeting to review the 990.

Form 990, Part VI, Section B, Line 12c: Each board member must disclose if there is a possible conflict of interest. When the conflict is relevant to a circumstance, the interested person will not participate in such matters.

Name of the organization

Police Protective Fund

Employer identification number

74-2864446

Form 990, Part VI, Section C, Line 18: The Organization makes its Form 1023 available upon request. The Organization makes its Form 990 available on its website or upon request.

Form 990, Part VI, Section C, Line 19: All governing documents, conflict of interest policy and financial statements are available to the public upon request.

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
 ▶ Attach to Form 990. ▶ See separate instructions.

2010

Open to Public Inspection

Name of the organization

Police Protective Fund

Employer identification number

74-2864446



Part II Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity



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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(c)(13) controlled entity?	
						Yes	No
American Association of Police Officers - 74-2586522, 1009 West 6th Street, #205, Austin, TX 78703	To promote effective and safe law enforcement	Texas	501(c)(3)	170(b)(1)(A)	N/A		X

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

Schedule R (Form 990) 2010

Part IV Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)	X	
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees		X
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses		X
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) American Association of Police Officers	B	199,959.	
(2)			
(3)			
(4)			
(5)			
(6)			

Depreciation and Amortization 990
 (Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Business or activity to which this form relates: **Police Protective Fund**
 Identifying number: **74-2864446**
 Form 990 Page 10

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	2,203.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed In Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	

Section C - Assets Placed In Service During 2010 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year	/	40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	2,203.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
 Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a. Do you have evidence to support the business/investment use claimed? Yes No 24b. If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25. Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use								25
26. Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27. Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28. Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28
29. Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No										
30. Total business/investment miles driven during the year (do not include commuting miles)												
31. Total commuting miles driven during the year												
32. Total other personal (noncommuting) miles driven												
33. Total miles driven during the year. Add lines 30 through 32												
34. Was the vehicle available for personal use during off-duty hours?												
35. Was the vehicle used primarily by a more than 5% owner or related person?												
36. Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37. Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38. Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39. Do you treat all use of vehicles by employees as personal use?		
40. Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41. Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Amortization begin	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42. Amortization of costs that begins during your 2010 tax year					
43. Amortization of costs that began before your 2010 tax year					43
44. Total. Add amounts in column (f). See the instructions for where to report					44

POLICE PROTECTIVE FUND
*FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT*

December 31, 2010 and 2009

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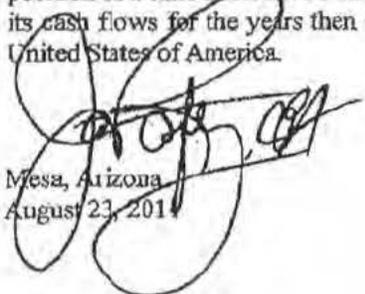
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Police Protective Fund
Austin, Texas

I have audited the accompanying statements of financial position of Police Protective Fund, (a North Carolina nonprofit corporation), as of December 31, 2010 and 2009 and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Police Protective Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Police Protective Fund as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Mesa, Arizona
August 23, 2011

POLICE PROTECTIVE FUND
STATEMENTS OF FINANCIAL POSITION
December 31,

ASSETS

	2010	2009
<i>Current Assets</i>		
Cash and cash equivalents	\$ 53,136	\$ 58,883
Receivables	-	1,485
Postage deposit	4,909	15,984
Total Current Assets	58,045	76,352
<i>Property and Equipment, net</i>	-	5,377
<i>Other Assets - Security deposits</i>	17,362	17,958
	\$ 75,407	\$ 99,687

LIABILITIES AND NET DEFICIT

<i>Current Liabilities</i>		
Accounts payable	\$ 83,063	\$ 107,364
Accrued liabilities	73,624	61,983
Current portion of consent judgment and settlement agreement	50,000	50,000
Total Current Liabilities	206,687	219,347
<i>Long Term Liabilities - Long term portion of consent judgment and settlement agreement</i>	148,000	198,000
<i>Net Deficit - Unrestricted</i>	(279,280)	(317,660)
	\$ 75,407	\$ 99,687

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENTS OF ACTIVITIES
For the Years Ended December 31,

	<u>2010</u>	<u>2009</u>
<i>Unrestricted Net Assets</i>		
Revenue, Gains and Other Support		
Contributions	\$ 4,143,765	\$ 5,628,527
Miscellaneous income	-	721
Interest income	<u>164</u>	<u>109</u>
Total Unrestricted Revenue, Gains, and Other Support	4,143,929	5,629,357
<i>Expenses and Losses</i>		
Program services	1,131,362	1,964,426
Management services	165,218	320,384
Fundraising	<u>2,805,795</u>	<u>3,435,313</u>
Total Expenses and Losses	4,102,375	5,720,123
<i>Other Gains and Losses</i>		
Loss on sale of assets	<u>(3,174)</u>	<u>-</u>
Total Other Gains and Losses	(3,174)	-
Increase (Decrease) in Unrestricted Net Assets	38,380	(90,766)
<i>Net Deficit, Beginning of Year</i>	<u>(317,660)</u>	<u>(226,894)</u>
<i>Net Deficit, End of Year</i>	<u>\$ (279,280)</u>	<u>\$ (317,660)</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2010

	Program	Supporting Services		Totals
	Services	Management	Fundraising	
Salaries	\$ 438,601	\$ 28,092	\$ 1,466,534	\$ 1,933,227
Postage	69,376	4,564	233,165	307,105
List acquisition	62,292	2,831	218,024	283,147
Equipment rental	47,807	2,173	167,323	217,303
Contributions	199,959	-	-	199,959
Telephone	43,960	2,158	152,387	198,505
Payroll taxes	37,564	1,707	131,476	170,747
Printing and publications	37,580	1,500	115,481	154,561
Executive compensation	78,870	35,850	4,780	119,500
Rent	31,301	2,772	77,002	111,075
Caging and payroll processing fees	16,009	728	56,033	72,770
Professional fundraising fees	-	-	58,670	58,670
Legal fees	-	40,834	11,527	52,361
Employee benefits	6,565	1,291	22,980	30,836
Office supplies	14,312	7,750	8,059	30,121
Utilities	7,720	1,144	19,727	28,591
Accounting	-	21,539	-	21,539
Taxes, licenses, and fees	4,356	198	15,245	19,799
Bank fees	4,360	243	14,851	19,454
Repairs and maintenance	-	-	15,889	15,889
Travel	14,054	-	-	14,054
Dues and subscriptions	2,273	103	7,957	10,333
Insurance	2,481	113	8,685	11,279
Website	5,802	-	-	5,802
Settlement agreement	-	3,750	-	3,750
Conferences and meetings	-	3,675	-	3,675
Member benefits	3,500	-	-	3,500
Contract labor	2,620	-	-	2,620
Depreciation expense	-	2,203	-	2,203
	<u>\$ 1,131,362</u>	<u>\$ 165,218</u>	<u>\$ 2,805,795</u>	<u>\$ 4,102,375</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2009

	Program	Supporting Services		Totals
	Services	Management	Fundraising	
Salaries	\$ 641,983	\$ 95,109	\$ 1,640,624	\$ 2,377,716
Contributions	681,438	-	-	681,438
List acquisition	110,792	16,414	283,136	410,342
Postage	104,401	15,888	262,211	382,500
Equipment rental	92,371	13,685	236,058	342,114
Telephone	76,909	11,518	195,114	283,541
Professional fundraising fees	-	-	276,170	276,170
Printing and publications	53,651	7,805	134,638	196,094
Payroll taxes	51,511	7,631	131,639	190,781
Rent	54,773	8,872	94,252	157,897
Caging and payroll processing fees	28,103	4,163	71,820	104,086
Settlement agreement	-	60,000	-	60,000
Utilities	13,522	2,868	24,586	40,976
Employee benefits	8,977	2,388	22,940	34,305
Accounting	-	30,272	-	30,272
Bank fees	8,043	1,233	20,069	29,345
Office supplies	6,800	9,496	7,605	23,901
Legal fees	-	23,009	-	23,009
Insurance	4,010	594	10,248	14,852
Taxes, licenses, and fees	3,167	469	8,095	11,731
Dues and subscriptions	3,152	467	8,056	11,675
Repairs and maintenance	-	1,746	7,787	9,533
Travel	7,120	1,707	-	8,827
Website	5,557	-	-	5,557
Contract labor	5,000	-	-	5,000
Member benefits	3,000	-	-	3,000
Depreciation expense	-	2,559	-	2,559
Conferences and meetings	-	2,460	-	2,460
Miscellaneous expense	146	31	265	442
	<u>\$ 1,964,426</u>	<u>\$ 320,384</u>	<u>\$ 3,435,313</u>	<u>\$ 5,720,123</u>

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
STATEMENTS OF CASH FLOWS
For the Years Ended December 31,

	2010	2009
<i>Cash Flows from Operating Activities:</i>		
Cash received from income and grants	\$ 4,145,250	\$ 5,628,032
Cash paid to suppliers and employees	(4,151,161)	(5,679,625)
Interest Income	164	109
Miscellaneous income	-	721
	(5,747)	(50,763)
<i>Net (Decrease) in Cash and Cash Equivalents</i>	(5,747)	(50,763)
<i>Beginning Cash and Cash Equivalents</i>	58,883	109,646
<i>Ending Cash and Cash Equivalents</i>	\$ 53,136	\$ 58,883
<i>Reconciliation of Changes in Net Assets to Net Cash (Used) by Operating Activities:</i>		
Increase (Decrease) in net assets	\$ 38,380	\$ (90,766)
Adjustments to reconcile changes in net assets to cash (used) by operating activities:		
Depreciation	2,203	2,559
Loss on sale of assets	3,174	-
(Increase) Decrease in operating assets		
Accounts receivable	1,485	(495)
Postage deposit	11,075	53
Security deposits	596	(2,658)
Increase (Decrease) in operating liabilities		
Accounts payable	(24,301)	75,517
Accrued liabilities	11,641	(32,973)
Consent judgment and settlement agreement payable	(50,000)	(2,000)
<i>Net Cash (Used) By Operating Activities</i>	\$ (5,747)	\$ (50,763)

See accompanying notes to financial statements

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Organization

Police Protective Fund (the "Organization") was organized in the state of North Carolina on January 21, 1998, as a nonprofit corporation for the purpose of providing assistance to members of law enforcement and promoting effective law enforcement by increasing officer safety awareness through education. The Organization's in-house call center serves as their major source of contributions.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its statement of Accounting Standards Codification (ASC). Under the Standards for the Financial Statements of Not-For-Profit Organizations the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization had no temporary or permanently restricted net assets to date.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities

Fair Values of Financial Instruments

The Organization uses the following methods and assumptions in estimating its fair value disclosures for financial instruments:

Cash and Cash Equivalents: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

The estimated fair values of the Organization's financial instruments, none of which are held for trading purposes, are as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash and Cash Equivalents	\$ 53,136	\$ 53,136

The Organization estimates that the fair value of all financial instruments at December 31, 2010 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying Statements of Financial Position.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue and Support Recognition

Support restricted by the donor, grantor, or other outside party for particular operating purposes are deemed to be earned and reported as revenues of the current restricted fund when the Organization has incurred expenditures in compliance with the specific restrictions. Such amounts received but not yet expended are reported as temporarily restricted deferred revenue.

The Organization recognizes pledges as revenue under FASB ASC Not-For-Profit Entities: Revenue Recognition. Under the FASB ASC contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization qualifies for the charitable contribution deduction under Section 170 and has also been classified as an entity that is not a private foundation within the meaning of Section 509(a).

Cash and Cash Equivalents

The Organization considers all liquid investments with an initial maturity of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Property and Equipment

The Organization capitalizes all acquisition of property and equipment in excess of \$1,000 and records property and equipment at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Date of Management's Review

Management has evaluated subsequent events through August 23, 2011, the date the financial statements were available to be issued.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited as estimated by the Organization's management.

Joint Cost Allocation

The Organization achieves some of its program, management and general goals by conducting activities that include requests for contributions as well as program activities of the Organization. The costs of conducting those campaigns for the years ended December 31, 2010 and 2009 included a total of \$3,492,058 and \$4,524,322, respectively, of joint costs that are not directly attributable to either the program or management and general components or the fund-raising component of the activities. Those joint costs were allocated as follows:

	<u>2010</u>	<u>2009</u>
Program	\$ 768,352	\$ 1,221,566
Management	34,919	180,973
Fundraising	<u>2,688,887</u>	<u>3,121,783</u>
Total	<u>\$ 3,492,058</u>	<u>\$ 4,524,322</u>

NOTE B – PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged against operations. Renewals and betterment's that materially extend the life of the assets are capitalized. Depreciation is computed for financial statement purposes on a straight-line basis over the estimated useful lives of the related assets. The estimated useful lives and depreciation expense of depreciable assets are:

	<u>2010</u>	<u>2009</u>
Equipment and vehicles	\$ 27,500	\$ 57,703
Less: Accumulated Depreciation	<u>(27,500)</u>	<u>(52,326)</u>
	<u>\$ -</u>	<u>\$ 5,377</u>

Depreciation expense was \$2,203 and \$2,559 for the years ended December 31, 2010 and 2009.

NOTE C – DEFINED CONTRIBUTION PLAN

The Organization maintains a 403(b) tax sheltered annuity retirement plan that covers staff employees who meet certain eligibility requirements. Eligible employees may elect to defer a portion of their salaries up to the maximum set forth by the Internal Revenue Service. The Organization does not contribute to this plan.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE D – RELATED PARTY TRANSACTIONS

The American Association of Police Officers (AAPO), formerly the National Association of Veteran Police Officers, is a nonprofit corporation qualified under Section 501(c)(3) of the U.S. Internal Revenue Code and was organized to provide information services as an educational organization for active and retired police personnel nationwide. Police Protective Fund and AAPO share common management and board of directors. For the years ended December 31, 2010 and 2009, Police Protective Fund paid AAPO \$199,959 and \$681,438, respectively, in grants and benefits.

The Organization paid list acquisition costs of \$283,147 and \$410,342 and equipment rental costs of \$217,303 and \$342,114, respectively, in 2010 and 2009. An employee of the Organization is the partial owner of both companies.

NOTE E – CONSENT JUDGEMENT AND SETTLEMENT AGREEMENT

On April 25, 2008, Police Protective Fund signed a consent judgment with the State of Missouri settling litigation in which the State contested the Organization's methods of initiating unsolicited telephone calls to Missouri residential telephone subscribers. In response to this litigation, the Organization consented to make payments totaling \$450,000 into a Merchandise Practices Revolving Fund. The Organization allocated these payments in several parts. Of the original \$450,000 amount, the Organization was required to pay \$200,000 within ninety days of the entry and approval of the consent judgment, which was done on July 24, 2008. Of the remaining \$250,000, the Organization allocated \$100,000 to the cost of investigation and prosecution of the previously mentioned litigation, and dedicated \$150,000 in support of law enforcement activities, officers and their families. The \$100,000 and \$150,000 balances were to be paid on or before August 1, 2010 and 2009, respectively, under the original agreement. Beginning January 2010, the remaining balance was to be paid by the Organization in monthly installments of \$2,500 until paid in full. The Organization paid \$30,000 and \$62,000 in 2010 and 2009, respectively.

On July 13, 2010, the Organization signed a settlement agreement with the State of California in which the Organization did not admit fault. The Organization agreed to make payments totaling \$60,000 to the California Department of Justice for attorney fees and costs incurred by the Charitable Trusts Section. The funds are reserved exclusively for the administration and enforcement responsibilities of the California Attorney General and the Charitable Trusts Section. The Organization has structured its payments to the California Department of Justice as follows: the Organization will pay \$20,000 within thirty days of the execution of the settlement agreement, \$20,000 on or before August 13, 2011, and \$20,000 on or before August 13, 2012. The Organization paid \$20,000 in 2010.

NOTE F – LINE OF DUTY DEATH BENEFIT

The Organization has provided line of duty death benefits and officer down crisis packages. The packages provides direct relief to the police department of the downed officer, which includes line of duty death benefit funeral planning assistance, survivor counseling contacts, and emergency cash for surviving beneficiary. The Organization has paid out a total of \$3,500 and \$3,000 in benefits as of December 31, 2010 and 2009, respectively.

POLICE PROTECTIVE FUND
NOTES TO FINANCIAL STATEMENTS

NOTE G – LEASE COMMITMENTS

The Organization conducts its operations from various leased facilities. The various leases expire through July 31, 2012. Generally the leases contain renewal options for a period of one year. The total rent expense for such facilities for the years ended December 31, 2010 and 2009 was \$111,075 and \$157,897, respectively

Minimum future lease payments under operating leases as of December 31, 2010, were as follows:

2011	\$	124,044
2012		68,121
2013		<u>26,610</u>
	\$	<u>218,775</u>

The Organization has also entered into an operating lease for equipment. The lease expires August 1, 2010 with a yearly renewal option. The total rent expense for the leased equipment for the years ended December 31, 2010 and 2009 was \$217,303 and \$342,114, respectively

Minimum future lease payment under these operating leases is as follows:

2011	\$	167,851
------	----	---------

EXHIBIT G



NORTH CAROLINA
Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF AMENDMENT

OF

POLICE PROTECTIVE FUND

the original of which was filed in this office on the 20th day of July, 1998



Certification# 80951148-1 Reference# 6062886-ACH Page: 1 of 3
Verify this certificate online at www.secretary.state.nc.us/verification

IN WITNESS WHEREOF, I have hereunto set
my hand and affixed my official seal at the City
of Raleigh, this 11th day of August, 2004

Elaine F. Marshall

Secretary of State

98 188 5017

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF
POLICE PROTECTIVE FUND
A NONPROFIT CORPORATION
Pursuant to the General Statutes of North Carolina

0-044800B
FILED
11:31am
JUL 20 1998
EFFECTIVE
ELAINE F. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

The undersigned corporation, for the purpose of amending its Articles of Incorporation pursuant to the General Statutes of North Carolina hereby executes the following Articles of Amendment:

- (1) The name of the corporation is: Police Protective Fund.
- (2) The text of the amendment (s) of adoption to the Articles of Incorporation is/are as follows:

ARTICLE 8 of the Articles of Incorporation is hereby amended to read as follows:

The provisions regarding the distribution of the corporation's assets upon its dissolution are as follows: Upon dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of §501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future Federal tax code, or shall be distributed to the Federal, state or local government for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction, in the county in which the principal office of the organization is then located, exclusively for such purposes. In the event of dissolution of the corporation, the residual assets of the corporation will be distributed for one or more exempt purposes within the meaning of §501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future Federal tax code.

ARTICLE 9 of the Articles of Incorporation is hereby amended to read as follows:

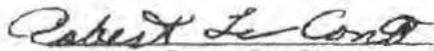
The purpose or purposes of the corporation are exclusively religious, charitable, scientific, literary and educational within the meaning of §501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law. Consistent with said purposes, the organization shall provide assistance to members of law enforcement, in whatever capacity, as well as promoting effective law enforcement and increasing officer safety awareness through education.

Notwithstanding any other provision of these articles, this organization shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under §501(c)(3) of the Internal Revenue code of 1986 or the corresponding provision of any future United States Internal Revenue law.

- (3) The Corporation has no members and, thus, approval of members was not required.
- (4) The amendment was approved and adopted on June 26, 1998, by the affirmative vote of all of the members of the Board of Directors, said vote being sufficient to authorize the change.

In affirmation of the facts stated above, the undersigned has executed these Articles of Incorporation on this 1st day of July, 1998.

Police Protective Fund


Robert LeConte, President

7/1/98
Date



NORTH CAROLINA
Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

POLICE PROTECTIVE FUND

the original of which was filed in this office on the 21st day of January, 1998.



Certification# 80951147-1 Reference# 6062886-ACH Page: 1 of 4
Verify this certificate online at www.secretary.state.nc.us/verification

IN WITNESS WHEREOF, I have hereunto set
my hand and affixed my official seal at the City
of Raleigh, this 11th day of August, 2004

Elaine F. Marshall

Secretary of State

980079076

State of North Carolina
Department of the Secretary of State

0-1 48068

FILED

8:35 AM
JAN 21 1998

ARTICLES OF INCORPORATION
NONPROFIT CORPORATION

EFFECTIVE
ELAINE F. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

Pursuant to Section 55A-2-02 of the General Statutes of North Carolina, the undersigned corporation does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

- The name of the corporation is: POLICE PROTECTIVE FUND
- (Check only if applicable.) The corporation is a charitable or religious corporation as defined in N.C.G.S. Section 55A-1-40(4).
- The street address and county of the initial registered office of the corporation is:
Number and Street 513 STARMOUNT LANE
City, State, Zip Code HENDERSONVILLE NC 28791 County HENDERSON
- The mailing address if different from the street address of the initial registered office is:
SAME AS #3
- The name of the initial registered agent is:
ROBERT LE CONTE
- The name and address of each incorporator is as follows:
PHIL LE CONTE, Redacted
ROBERT LE CONTE, Redacted
DAVID DIERKS Redacted
- (Check either a or b below.)
a. The corporation will have members.
b. The corporation will not have members.
- Attached are provisions regarding the distribution of the corporation's assets upon its dissolution.
- Any other provisions which the corporation elects to include are attached
ATTACHED
N/A
- The street address and county of the principal office of the corporation is:
513 STARMOUNT HENDERSONVILLE NC 28791 County HENDERSON
- The mailing address if different from the street address of the principal office is:
SAME AS #10

12. These articles will be effective upon filing, unless a later time and/or date is specified: _____

This is the 6th day of JANUARY, 1998

Phil R. Le Conte

Signature of Incorporator

PHIL R. LE CONTE

Type or print Incorporator's name and title, if any

NOTES:

1. Filing fee is \$40. This document and one exact or conformed copy of these articles must be filed with the Secretary of State. (Revised July 1994)
CORPORATIONS DIVISION 300 N. SALISBURY STREET RALEIGH, NC 27603-5909

EXHIBIT H

BYLAWS
OF
POLICE PROTECTIVE FUND

ARTICLE I

OFFICES

The principal office of the Corporation shall be located in the State of Texas. The Corporation may also maintain additional offices at such other places within or without the State of Texas, as the Board of Directors may from time to time designate.

ARTICLE II

MEMBERS

The corporation shall not have members.

ARTICLE III

PURPOSES

The corporation shall be organized and operated exclusively for charitable purposes within the meaning of §501(c)(3) of the Internal Revenue Code and any corresponding future Internal Revenue Law and shall further serve the stated purposes as set forth in the Articles of Incorporation. No profit or benefit shall inure to any private individual, board member or officer of the corporation.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of Directors shall be such number as shall be determined by the Board of Directors, from time to time, but not less than three (3). They shall serve for terms of one (1) year until his/her successor shall have been elected and

qualified at the annual meeting of the Board of Directors in any given year. The names, addresses and terms of each initial Board member shall be as set forth in the minutes of the first organizational meeting. There shall be no limit to the number of consecutive terms which a Director may serve.

Section 3. Regular Meeting. A regular annual meeting of the Board of Directors shall be held for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall hold a special meeting for election of Directors within a reasonable period of time thereafter. The Board of Directors shall designate the place of meeting for the annual meeting. The Board of Directors may provide by resolution the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the Board without further notice than such resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Texas, as the place for holding any special meeting of the Board called by them.

Section 5. Notice. Notice of any special meeting of the Board of Directors shall be given at least seven (7) days prior to the meeting by written notice delivered personally or sent by mail or facsimile to each Director at his/her address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope, properly addressed and with postage thereon prepaid. If notice be given by facsimile, such notice shall be deemed to be delivered when the facsimile is received by the Director. The

attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Section 6. Quorum. Except as specifically provided elsewhere, a majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; provided, however, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these bylaws.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Compensation. Directors as such shall not receive any stated salaries for their services as a Director. However, nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

Section 10. Informal Action by Directors. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of

the Directors.

ARTICLE IV

OFFICERS

Section 1. Officers. The officers of the corporation shall be a Chief Executive officer (President), an Administrative Officer (Secretary), a Fiscal Officer (Treasurer), and such other officers as may be elected in accordance with the provisions of this Article. There shall be no limit to the number of consecutive terms to which an officer can be elected.

Section 2. Election and Term of Office. The officers of the corporation shall serve for a term of two years and shall be elected at the annual meeting of the Board of Directors in even-numbered years. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by a 2/3 vote of all of the members of the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. Chief Executive Officer. This position shall be held by the principal executive officer of the corporation and shall in general have the power to supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the Board of Directors.

He may sign with any other officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the corporation; and in general he shall perform all duties incident to the office of Executive Officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Fiscal Officer. If required by the Board of Directors the Fiscal Officer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these bylaws; and in general perform all the duties incident to the office of Fiscal Officer and such other duties as from time to time may be assigned to him by the Executive Officer or by the Board of Directors.

Section 7. Administrative Officer. The Administrative Officer shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which is duly authorized in accordance with the provisions of these bylaws; and in general perform all duties incident to the office and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

ARTICLE VI

COMMITTEES

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation, except that no such committees shall have the authority of the Board of Directors in reference to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the corporation; amending the articles of incorporation; restating the articles of incorporation; adopting a plan or merger or adopting a plan of consolidation with another corporation authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, the President of the

corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors of the corporation and until his/her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies. Vacancies in the membership of a committee may be filled by appointments made in the same manner as the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own governance not inconsistent with these by-laws or with rules adopted by the Board of Directors.

ARTICLES VII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President.

Section 3. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

ARTICLES VIII

BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote.

ARTICLE IX

FISCAL YEAR

The fiscal year of the corporation shall begin on the 1st day of January and end on the last day of December in each year.

ARTICLE X

SEAL

The Board of Directors may adopt a seal.

ARTICLE XI

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Corporation Law of the State of Texas or the provisions of the articles of incorporation or of the bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

AMENDMENTS TO BYLAWS

These bylaws may be altered, amended or repealed and new by-laws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting if at least five (5) days written notice is given of intention to alter, amend or repeal the bylaws at such meeting.

ARTICLE XIII

DISSOLUTION

Upon dissolution or final liquidation, the Board of Directors shall, after paying or making provisions for the payment of all lawful debts and liabilities of the Corporation, distribute all assets of the Corporation to one or more regularly organized and qualified charitable, educational, or scientific organizations as shall at the time qualify as exempt from taxation under section 501(c)(3)

of the Internal Revenue Code to be selected by the Board of Directors, as more fully specified in the Articles of Incorporation of the Corporation.

I hereby certify that these are the current rules of operation of the corporation as of the 24th day of July, 2000.


Administrative Officer

EXHIBIT I

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAR 15 2001

POLICE PROTECTIVE FUND
C/O GREG LAM
423 W 8TH STREET STE 400
KANSAS CITY, MO 64105

Employer Identification Number:
74-2864446
DLN:
401053109
Contact Person:
TODD COLE ID# 75901
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the

Letter 947 (DO/CG)

POLICE PROTECTIVE FUND

part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so be sure your return is complete before you file it.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

Letter 947 (DO/CG)

POLICE PROTECTIVE FUND

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

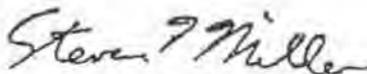
If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Steven T. Miller
Director, Exempt Organizations

EXHIBIT J

**Application for Recognition of Exemption
 Under Section 501(c)(3) of the Internal Revenue Code**

Read the instructions for each Part carefully.
A User Fee must be attached to this application.
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.
Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Police Protective Fund		2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions.) 74-2864446
1b c/o Name (if applicable) David Dierks		3 Name and telephone number of person to be contacted if additional information is needed Greg Lam (816) 472-9000
1c Address (number and street) 1114 West 7th Street	Room/Suite #103	4 Month the annual accounting period ends December
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Austin, T 78703		5 Date incorporated or formed
1e Web site address		6 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
8 Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the Specific Instructions).		
9 Has the organization filed Federal income tax returns or exempt organization information returns? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed. Form 990 1998, 1999		

10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See Specific Instructions for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

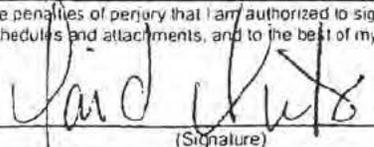
a Corporation — Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.

b Trust — Attach a copy of the Trust indenture or Agreement, including all appropriate signatures and dates.

c Association — Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here  **David Dierks** Fiscal Officer (Type or print name and title or authority of signer) **29 Nov. 00** (Date)

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization — past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Please see attached Exhibit C

- 2 What are or will be the organization's sources of financial support? List in order of size.
Please see attached Exhibit C

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.
Please see attached Exhibit C

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.
Please see attached Exhibit D

b Annual compensation
Please see attached Exhibit D

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions for Part II, Line 4d, on page 3.) Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

Police Protective Fund has individual members of its Board of Directors who are also members of the Board of Directors of National Association of Veteran Police Officers, an organization recognized as exempt from Federal Income Taxation under Section 501(c)(4). (EIN 74-2586522)

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

Police Protective Fund may periodically share the rental of facilities or occupancy of facilities with National Association of Veteran Police Officers, an organization recognized as exempt from Federal Income Taxation under Section 501(c)(4).

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

N/A

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No
If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization? Yes No
If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) the members receive in exchange for their payment of dues?

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? N/A Yes No
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? N/A Yes No
If "Yes," explain how the recipients or beneficiaries are or will be selected.

Certain benefits may be limited to sworn active duty law enforcement officers under the age of seventy (70) years.

13 Does or will the organization attempt to influence legislation? Yes No
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No
If "Yes," explain fully.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes No

If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions — You are not required to file an exemption application within 15 months if the organization:

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See Specific Instructions, Line 2a, on page 4;
- b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? Yes No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See Specific Instructions, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

7 Is the organization a private foundation?

- Yes (Answer question 8.)
 No (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?

- Yes (Complete Schedule E.)
 No

After answering question 8 on this line, go to line 14 on page 7.

9 If you answer "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|--|--|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| c | <input type="checkbox"/> As a hospital or cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.) | Sections 509(a)(1) and 170(b)(1)(A)(iii) |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| e | <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.) | Section 509(a)(3) |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety. | Section 509(a)(4) |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit. | Sections 509(a)(1) and 170(b)(1)(A)(vi) |
| h | <input checked="" type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. | Sections 509(a)(1) and 170(b)(1)(A)(vi) |
| i | <input type="checkbox"/> As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2) |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification. | Sections 509(a)(1) and 170(b)(1)(A)(vi) or Section 509(a)(2) |

If you checked one of the boxes a through f in question 9, go to question

14. If you checked box g in question 9, go to questions 11 and 12.

If you checked box h, i, or j, in question 9, go to question 10.

Part III Technical Requirements (Continued)

10 If you checked box h, i, or j in question 9, has the organization completed a tax year of at least 8 months?

Yes — Indicate whether you are requesting:

A definitive ruling. (Answer questions 11 through 14.)

An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)

No — You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.

11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses**, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

none

12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:

a Enter 2% of line 8, column (e), Total, of Part IV-A.

b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 12a above.

13 If you are requesting a definitive ruling under section 509(a)(2), check here and: **NONE OF THE BELOW APPLIES**

a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)

b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)

	Yes	No	If "Yes," complete Schedule.
Is the organization a church?		X	A
Is the organization, or any part of it, a school?		X	B
Is the organization, or any part of it, a hospital or medical research organization?		X	C
Is the organization a section 509(a)(3) supporting organization?		X	D
Is the organization a private operating foundation?		X	E
Is the organization, or any part of it, a home for the aged or handicapped?		X	F
Is the organization, or any part of it, a child care organization?		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		X	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From to	(b) 1998 SEE 990	(c) 1999 SEE 990	(d) _____	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants — see page 6 of the instructions).....					0.00
2 Membership fees received					0.00
3 Gross investment income (see instructions for definition)					
4 Net income from organization's unrelated business activities not included on line 3					
5 Tax revenues levied for and either paid to or spent on behalf of the organization					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)					
8 Total (add lines 1 through 7)		0.00			0.00
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22.					
10 Total (add lines 8 and 9)		0.00			0.00
11 Gain or loss from sale of capital assets (attach schedule)					
12 Unusual grants					
13 Total revenue (add lines 10 through 12)		0.00			0.00
Expenses					
14 Fundraising expenses					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)					
16 Disbursements to or for benefit of members (attach schedule)					
17 Compensation of officers, directors, and trustees (attach schedule)					
18 Other salaries and wages					
19 Interest					
20 Occupancy (rent, utilities, etc.) ..					
21 Depreciation and depletion					
22 Other (attach schedule)					
23 Total expenses (add lines 14 through 22)					
24 Excess of revenue over expenses (line 13 minus line 23)		0.00			

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date 2000
Assets		
1	Cash	47,678
2	Accounts receivable, net	10,875
3	Inventories	0
4	Bonds and notes receivable (attach schedule)	0
5	Corporate stocks (attach schedule)	0
6	Mortgage loans (attach schedule)	0
7	Other investments (attach schedule)	75,000
8	Depreciable and depletable assets (attach schedule)	0
9	Land	0
10	Other assets (attach schedule)	0
11	Total assets (add lines 1 through 10)	133,553.00
Liabilities		
12	Accounts payable	0
13	Contributions, gifts, grants, etc., payable	0
14	Mortgages and notes payable (attach schedule)	0
15	Other liabilities (attach schedule)	0
16	Total liabilities (add lines 12 through 15)	0.00
Fund Balances or Net Assets		
17	Total fund balances or net assets	133,553
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	133,553.00

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

POLICE PROTECTIVE FUND
1114 West 7th Street
Austin, Texas 78703

Application for Recognition of Exemption
(Form 1023)

EXHIBIT A

Part I, Item 9

Articles of Incorporation

STATE OF NORTH CAROLINA



Department of The
Secretary of State

To all whom these presents shall come, Greetings:

I, **ELAINE F. MARSHALL**, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION
OF
POLICE PROTECTIVE FUND

the original of which is now on file and a matter of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 11th day of January, 2000.

Elaine F. Marshall

Secretary of State

990079976

State of North Carolina
Department of the Secretary of State

8:35 AM
JAN 21 1998

ARTICLES OF INCORPORATION
NONPROFIT CORPORATION

EFFECTIVE
ELAINE F. MARSHALL
SECRETARY OF STATE
NORTH CAROLINA

Pursuant to Section 55A-2-02 of the General Statutes of North Carolina, the undersigned corporation does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

1. The name of the corporation is: POLICE PROTECTIVE FUND

2. (Check only if applicable.) The corporation is a charitable or religious corporation as defined in N.C.G.S. Section 55A-1-40(4).

3. The street address and county of the initial registered office of the corporation is:

Number and Street 513 STARMOUNT LANE

City, State, Zip Code HENDERSONVILLE NC 28791 County HENDERSON

4. The mailing address if different from the street address of the initial registered office is:

SAME AS #3

5. The name of the initial registered agent is:

ROBERT LE CONTE

6. The name and address of each incorporator is as follows:

PHIL LE CONTE,

Redacted

ROBERT LE CONTE,

DAVID DIERKS Redacted

Redacted

7. (Check either a or b below.)

- a. The corporation will have members.
- b. The corporation will not have members.

8. Attached are provisions regarding the distribution of the corporation's assets upon its dissolution.

9. Any other provisions which the corporation elects to include are attached.

N/A

10. The street address and county of the principal office of the corporation is:

513 STARMOUNT HENDERSONVILLE NC 28791 County HENDERSON

11. The mailing address if different from the street address of the principal office is:

SAME AS #10

12. These articles will be effective upon filing, unless a later time and/or date is specified: _____

This is the 6th day of JANUARY, 1998



Signature of Incorporator

PAUL R. LE CONTE

Type or print Incorporator's name and title, if any

NOTES:

1. Filing fee is \$40. This document and one exact or conformed copy of these articles must be filed with the Secretary of State. (Revised July 1994)

CORPORATIONS DIVISION

300 N. SALISBURY STREET

RALEIGH, NC 27603-5909

STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE

ARTICLES OF INCORPORATION
POLICE PROTECTIVE FUND
NONPROFIT CORPORATION

QUESTION #8. DISTRIBUTION OF CORPORATION'S ASSETS UPON DISSOLUTION.

UPON DISSOLUTION, ALL OF THE CORPORATION'S ASSETS SHALL BE DISTRIBUTED TO THE STATE OF NORTH CAROLINA OR AN ORGANIZATION EXEMPT FROM TAXES UNDER INTERNAL REVENUE CODE SECTION 501(C)(3) FOR ONE OR MORE PURPOSES THAT ARE EXEMPT UNDER THE NORTH CAROLINA FRANCHISE TAX.

POLICE PROTECTIVE FUND
1114 West 7th Street
Austin, Texas 78703

Application for Recognition of Exemption
(Form 1023)

EXHIBIT B

Part I, Item 9

Bylaws

BYLAWS
OF
POLICE PROTECTIVE FUND

ARTICLE I

OFFICES

The principal office of the Corporation shall be located in the State of Texas. The Corporation may also maintain additional offices at such other places within or without the State of Texas, as the Board of Directors may from time to time designate.

ARTICLE II

MEMBERS

The corporation shall not have members.

ARTICLE III

PURPOSES

The corporation shall be organized and operated exclusively for charitable purposes within the meaning of §501(c)(3) of the Internal Revenue Code and any corresponding future Internal Revenue Law and shall further serve the stated purposes as set forth in the Articles of Incorporation. No profit or benefit shall inure to any private individual, board member or officer of the corporation.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of Directors shall be such number as shall be determined by the Board of Directors, from time to time, but not less than three (3). They shall serve for terms of one (1) year until his/her successor shall have been elected and

qualified at the annual meeting of the Board of Directors in any given year. The names, addresses and terms of each initial Board member shall be as set forth in the minutes of the first organizational meeting. There shall be no limit to the number of consecutive terms which a Director may serve.

Section 3. Regular Meeting. A regular annual meeting of the Board of Directors shall be held for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the next succeeding day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall hold a special meeting for election of Directors within a reasonable period of time thereafter. The Board of Directors shall designate the place of meeting for the annual meeting. The Board of Directors may provide by resolution the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the Board without further notice than such resolution.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Texas, as the place for holding any special meeting of the Board called by them.

Section 5. Notice. Notice of any special meeting of the Board of Directors shall be given at least seven (7) days prior to the meeting by written notice delivered personally or sent by mail or facsimile to each Director at his/her address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope, properly addressed and with postage thereon prepaid. If notice be given by facsimile, such notice shall be deemed to be delivered when the facsimile is received by the Director. The

attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Section 6. Quorum. Except as specifically provided elsewhere, a majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; provided, however, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these bylaws.

Section 8. Vacancies. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. Compensation. Directors as such shall not receive any stated salaries for their services as a Director. However, nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

Section 10. Informal Action by Directors. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of

the Directors.

ARTICLE IV

OFFICERS

Section 1. Officers. The officers of the corporation shall be a Chief Executive officer (President), an Administrative Officer (Secretary), a Fiscal Officer (Treasurer), and such other officers as may be elected in accordance with the provisions of this Article. There shall be no limit to the number of consecutive terms to which an officer can be elected.

Section 2. Election and Term of Office. The officers of the corporation shall serve for a term of two years and shall be elected at the annual meeting of the Board of Directors in even-numbered years. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by a 2/3 vote of all of the members of the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. Chief Executive Officer. This position shall be held by the principal executive officer of the corporation and shall in general have the power to supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the Board of Directors.

He may sign with any other officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other officer or agent of the corporation; and in general he shall perform all duties incident to the office of Executive Officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Fiscal Officer. If required by the Board of Directors the Fiscal Officer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these bylaws; and in general perform all the duties incident to the office of Fiscal Officer and such other duties as from time to time may be assigned to him by the Executive Officer or by the Board of Directors.

Section 7. Administrative Officer. The Administrative Officer shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which is duly authorized in accordance with the provisions of these bylaws; and in general perform all duties incident to the office and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

ARTICLE VI

COMMITTEES

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation, except that no such committees shall have the authority of the Board of Directors in reference to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the corporation; amending the articles of incorporation; restating the articles of incorporation; adopting a plan or merger or adopting a plan of consolidation with another corporation authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law.

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, the President of the

corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Board of Directors of the corporation and until his/her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies. Vacancies in the membership of a committee may be filled by appointments made in the same manner as the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own governance not inconsistent with these by-laws or with rules adopted by the Board of Directors.

ARTICLES VII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President.

Section 3. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

ARTICLES VIII

BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote.

ARTICLE IX

FISCAL YEAR

The fiscal year of the corporation shall begin on the 1st day of January and end on the last day of December in each year.

ARTICLE X

SEAL

The Board of Directors may adopt a seal.

ARTICLE XI

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Corporation Law of the State of Texas or the provisions of the articles of incorporation or of the bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

AMENDMENTS TO BYLAWS

These bylaws may be altered, amended or repealed and new by-laws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting if at least five (5) days written notice is given of intention to alter, amend or repeal the bylaws at such meeting.

ARTICLE XIII

DISSOLUTION

Upon dissolution or final liquidation, the Board of Directors shall, after paying or making provisions for the payment of all lawful debts and liabilities of the Corporation, distribute all assets of the Corporation to one or more regularly organized and qualified charitable, educational, or scientific organizations as shall at the time qualify as exempt from taxation under section 501(c)(3)

of the Internal Revenue Code to be selected by the Board of Directors, as more fully specified in the Articles of Incorporation of the Corporation.

I hereby certify that these are the current rules of operation of the corporation as of the 24th day of July, 2000.


Administrative Officer

POLICE PROTECTIVE FUND
1114 West 7th Street
Austin, Texas 78703

Application for Recognition of Exemption
(Form 1023)

EXHIBIT C

Part II, Item 1

Police Protective Fund was initially organized and established as a Section 501(c)(4) organization. It is the belief of the Board of Directors of the organization that it is a truly charitable and educational organization and that it should qualify under Section 501(c)(3) of the Internal Revenue code as an exempt charitable and educational organization, rather than qualifying under Section 501(c)(4). Thus, it is applying for a change in the code section under which it has been determined to be tax exempt.

Police Protective Fund was established to educate law enforcement professionals on all matters of safety awareness. Law enforcement is an inherently dangerous occupation. Because law enforcement agencies have limited resources to provide safety training, the Police Protective Fund steps in to provide law enforcement officers with free educational materials designed to provide safety training information as well as enhancing the safety training already received by them.

The Police Protective Fund will continue to assert its leadership in safety for law enforcement professionals. It is the desire and intent of the organization to continually educate officers about the dangers of wearing a badge. To accomplish these general goals, the organization will provide specific programs, including, but not limited to the following:

1. Police Protective Fund will provide municipal, county and state law enforcement agencies with continuous training and information materials with regard to safety. This information deals with the pursuit of criminals by law enforcement officers; searching property and potential criminals after capture; and emphasizing safety at traffic stops. In order to accomplish this goal, Police Protective Fund provides municipal, county and state law enforcement agencies with enhanced training materials to train officers to more safely complete their work. This activity will comprise approximately thirty percent (30%) of the organization's overall funds and time.
2. Police Protective Fund will sponsor and promote a "Law Enforcer Safety Month." This is an annual initiative established to promote safety awareness among law

enforcement professionals. "Law Enforcer Safety Month" seeks to amplify and reinforce the safety issues that are essential for today's law enforcement officers. Although officer safety is a year round responsibility, this program focuses special attention on the issue by providing law enforcement agencies with a platform for reflecting on the importance of safety training. Police Protective Fund will offer participating law enforcement agencies the "Law Enforcer Safety Month Leadership Kit." This is a collection of free educational materials that the organization feels will make a profound impact on safety awareness among law enforcement agencies and departments. The organization will also provide best selling books and award winning documentaries which enhance officer safety training. It is anticipated that this activity will comprise thirty percent (30%) of the organization's overall time and funds.

3. Police Protective Fund will sponsor and host one of the largest, most comprehensive law enforcement websites on the Internet. This website will be utilized as an educational resource for law enforcers. It is anticipated that this activity will comprise approximately thirty percent (30%) of the organization's overall time and activities.
4. Police Protective Fund will partner with other law enforcement agencies which provide needed relief to areas suffering from natural disasters or some other type of adverse disaster. Many law enforcement agencies go out of their way to provide relief to areas stricken by floods, severe storms, fire or related natural disasters. Police Protective Fund will provide funding and support to local law enforcement agencies which are involved in providing this relief. It is anticipated that this activity will comprise approximately five to ten percent (5-10%) of the organization's overall time and funds.
5. Finally, the organization will provide a line of duty death benefit to officers across the country wishing to enroll in same. This benefit is provided to families of policemen killed in the line of duty to lessen the financial burden on that family resulting from the loss of the family provider. Approximately zero (0%) to five percent (5%) of the organization's overall time and funds will be expended on this activity. While the organization feels that this is a charitable activity, it is understood that it may be viewed as a potential non-exempt activity. Nevertheless, the organization feels that this activity will remain a very, very minor program and would be deemed an insubstantial purpose which should not affect the organization's ability to qualify as a Section 501(c)(3), charitable and educational organization.

Part II, Item 2

It is anticipated that the organization will receive financial support from, in order of size,

- (1) grants and contributions from individual, organizational, and corporate donors, and

- (ii) investment income.

Part II, Item 3

The organization continues to develop its fund raising programs in order to determine the most successful and efficient method(s). Initially, the organization will seek to include invitations to contribute to the organization in its first informational contacts.

No written fund raising materials have been developed to date.

POLICE PROTECTIVE FUND
1114 West 7th Street
Austin, Texas 78703

Application for Recognition of Exemption
(Form 1023)

EXHIBIT D

Part II, Item 3(a)

The names and addresses of the directors are as follows:

Phil LeConte
Redacted

Walter Dierks
Redacted

David Dierks
Redacted

The names, addresses and titles of the officers of the organization are as follows:

Phil LeConte - Executive Officer
1114 West 7th Street
Austin, Texas 78703

June Mellon - Administrative Officer
Redacted

David Dierks
Redacted

Part II, Item 3(b)

None of the directors or officers of the organization receive compensation for the performance of duties as a director or an officer of the Organization. The organization may, in the future, pay reasonable compensation to its officers for the performance of duties as an officer of the organization.

EXHIBIT K



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY

Internal Revenue Service
TE/GE EO Examination
1100 Commerce Street
Dallas, TX 75242

April 26, 2004

Police Protective Fund
1114 W 7th, Suite 3
Austin, TX 78703

Taxpayer Identification Number:
74-2864446
Form:
990
Tax Year(s) Ended:
December 31, 2002
Person to Contact/ID Number:
Michael L. Pitts/71-00222
Contact Numbers:
Telephone: 501-324-5328 EX 266
Fax: 501-324-5205

Dear Sir or Madam;

We are pleased to inform you that our examination for the above period(s) disclosed that your organization continues to qualify for exemption from Federal income tax. Accordingly, we have accepted your return(s) as filed.

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter. If you write, please provide a telephone number and the most convenient time to call if we need to contact you.

Thank you for your cooperation.

Sincerely,

R. C. Johnson
R. C. Johnson
Director, EO Examination

Letter 3594 (04-2002)
Catalog Number: 34782Z

EXHIBIT L



DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE
1100 Commerce St., M/C 4900-DAL
Dallas, Texas 75242

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Date: OCT 05 2007

Taxpayer Identification Number:
74-2864446

Form:
990

Tax Year(s) Ended:
December 31, 2005

Exemption under Section 501(C)(3)
of the Internal Revenue Code

Person to Contact/ID Number:
Ruth Kuo, 95-09490

Contact Numbers:
Telephone: (213) 576-3104
Fax: (213) 576-3101

Police Protective Fund
Attn: Mr. David Dierks, CFO
6605 Hollywood Blvd. Ste. 224
Hollywood, CA. 90028

Dear Mr. Dierks:

Our examination of the information return(s) indicated above disclosed that your organization continues to qualify for exemption from Federal income tax. Accordingly, we accept the return(s) as filed.

However, our examination identified certain deficiencies that we are addressing in the following paragraph(s). Noncompliance with the requirements set forth in the following paragraph(s) could result in penalties and or loss of exempt status.

A. Accountable plan for expense reimbursement

The CFO's oral testimony regarding the organization's plan on paying and reimbursing business related travel reveals that there is no plan established. Board members have access to a company credit card and are not required to submit any receipts or documentation. The credit card statements are periodically reviewed by the Treasurer for accuracy.

A charitable organization should establish and implement policies that provide clear guidance on its rules for paying or reimbursing expenses incurred by anyone conducting business or traveling on behalf of the organization, including the types of expenses that can be paid for or reimbursed and the documentation required. Such policies should require that travel on behalf of the organization is to be undertaken in a cost-effective manner. Charitable organizations should not pay for nor reimburse travel expenditures (not including de minimus expenses of those attending an activity such as a meal function of the organization) for spouses, dependents, or others who are accompanying individuals conducting business for the organization unless they, too, are conducting business for the organization.

B. Relationships with professional fundraisers

Based on documents provided by the CFO it appears that the organization was contacted and/or investigated by other federal, state and local agencies for questionable donation soliciting practices. Per the President's oral testimony, the organization relied on professional fundraisers to augment the organization's income. Also, by utilizing professional fundraisers they were able to contact individuals nationwide. Per the contract with these professional fundraisers the organization received an agreed upon percentage of all donations solicited and the fundraiser was responsible for meeting all of a particular State's requirements for soliciting donations. Additionally, some of the investigations originated from consumer complaints of harassment and/or intimidating techniques used to solicit donations.

A charitable organization should be knowledgeable about and must comply with all applicable federal laws and regulations, as well as applicable laws and regulations of the states and the local jurisdictions in which it is based or operates. This includes any relationships with other organizations that conduct business on behalf of the organization. The organization should take the necessary steps to ensure that all professional fundraisers utilized are adhering to all applicable laws and regulations.

C. Board of Directors

Currently, the board of directors consists of three members with only two of those members actively participating. The current size and membership of the board of directors do not adequately represent the interests of the community of which it exists to serve. Moreover, it should be expanded to mirror the advisory council already established which adequately serves the community it represents. A board of directors made up of representatives of the community indicates that the organization will serve the community and its needs. The current board members are also salaried employees of the organization.

Board members are generally expected to serve without compensation, other than reimbursement for expenses incurred to fulfill their board duties. Charitable organizations that provide compensation to board members should have it reviewed by an independent, external source and should, upon request, make available to anyone relevant information that will assist in evaluating the reasonableness of such compensation. The board should be expanded to include at least a minimum of five members.

A substantial majority of the board of a charitable organization should be independent – that is, they should be individuals (1) who are not compensated by the organization as an employee or independent contractor; (2) whose compensation is not determined by individuals who are compensated by the organization; (3) who do not receive, directly or indirectly, material financial benefits from the organization except as a member of the charitable class served by the organization; and (4) who are not related to (as a spouse, sibling, parent or child), or do not reside with, any individual described above.

D. Percentage of revenue spent on fundraising vs. exempt purposes

Although some changes have been implemented to reduce the percentage of dollars

spent on fundraising including the creation of an in-house call center, the amount spent on fundraising still remains high. Currently, the percentage of revenue spent on fundraising activities is 65%. This is in part the direct result of the organization's on-going relationships with professional fundraisers. With the establishment of the in-house call center the relationships with professional fundraisers should be terminated with the in-house call center bearing the sole responsibility of soliciting donations. Additionally, one of the charitable purposes of the organization is to offer a \$10,000 felonious assault line of duty death benefit which is currently capped at four per year. Another way to allocate more of the organization's budget on its programs would be to increase the annual number of this death benefit.

A charitable organization should spend a significant percentage of its annual budget on programs in pursuance of its mission. An organization should also provide sufficient resources for effective administration of the organization, and, if the organization solicits contributions, for appropriate fundraising activities.

E. Related Organizations

The organization, Police Protective Fund (PPF), shares the same board of members and advisory council with Junior Police Academy (JPA) and American Association of Police Officers (AAPO). Both the Junior Police Academy and American Association of Police Officers are non-profit organizations granted exemption under IRC 501(c) (3). AAPO is the administrative home to JPA and PPF. JPA and PPF were developed by AAPO with a directive to provide services to law enforcers and create educational programs and public awareness campaigns for the benefit of Police officers and citizens alike. Although PPF, JPA and AAPO are related organizations with the same charitable purpose and share the same board of directors and advisory council they file three separate tax returns. The fact that the organizations are treated as separate entities although they share the same charitable purpose and board members allows for potential duplication and misappropriation of expenses.

In order to improve your ability to have all the related organizations be in full compliance with Federal tax laws, it is recommended that the organizations be combined into one. This could be resolved by combining the activities of JPA and AAPO into PPF and filing one return or any other way that the organization determines better suits its operational goals. In doing so, the potential for duplication and misappropriation of expenses will be eliminated.

You have the right to contact the office of the Taxpayer Advocate. Taxpayer Advocate assistance is not a substitute for established IRS procedures, such as the formal appeals process. The Taxpayer Advocate cannot revise a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. You may call toll-free 1-877-777-4778 and ask for Taxpayer Advocate Assistance. If you prefer, you may contact your local Taxpayer Advocate at:

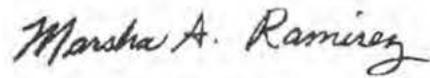
Internal Revenue Service – Taxpayer Advocate
300 N. Los Angeles St., Room 5109, Stop 6710
Los Angeles, CA 90012

Telephone: (213) 576-3140
Fax: (213) 576-3141

If you have any questions, please call the contact person at the telephone number shown in the heading of this letter. If you write, please provide a telephone number and the most convenient time to call if we need to contact you.

Thank you for your cooperation.

Sincerely,



Marsha A. Ramirez
Director, EO Examinations

EXHIBIT M

COPILEVITZ & CANTER, LLC

ATTORNEYS AT LAW
310 WEST 20TH STREET, SUITE 300
KANSAS CITY, MISSOURI 64108
(816) 472-9000 * FAX (816) 472-5000
EMAIL: kdonnelly@cckc-law.com

April 10, 2014

Mr. Jason C. Moon, Esq.
Federal Trade Commission
1999 Bryan Street, Suite 2150
Dallas, TX 75201

Via Email: jmoon@ftc.gov

Re: Police Protective Fund, Inc.

Dear Mr. Moon:

The Civil Investigative Demand issued by the Commission to Police Protective Fund, Inc. states that the organization has until April 21, 2014 to respond. Pursuant to the Commission's Rules of Practice, an organization must file a motion to limit or quash within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date.

Per our conversation yesterday, I understand the Commission may grant an extension of time to file a motion to quash, and, further, that your office has agreed to extend the Police Protective Fund's deadline to file said motion with the Commission until April 21, 2014.

While we disagree that the Commission has jurisdiction to issue the CID to the Police Protective Fund in the first instance, the organization is willing to provide you with a sizable amount of documents on a rolling production if your office would be willing to extend our deadline for filing the motion to quash to thirty (30) days or until May 12, 2014. We believe the documents we provide will prove that the Commission does not have jurisdiction over the Police Protective Fund. With that said, the organization does not waive its right to file the motion to quash or to otherwise object to jurisdiction at any time.

If your office were to agree to this proposal, we would be willing to provide the following documents from 2009 to March 19, 2014, which is the date on which the CID was issued:

Interrogatories

1. List of board of directors (CID #3)
2. List of board meetings (CID #4)
3. Conflict of Interest Policy (CID #8)
4. List of signatories (CID #14)
5. List of persons who review account statements (CID #15)

6. Independent auditor's reports and internal policies regarding oversight of financial accounts (CID #16)
7. If relevant, internal policies and procedures regarding the provision or use of vehicles or reimbursement for vehicle-related expenses (CID #23)
8. List of accountants and/or persons consulted with respect to financial affairs (CID #30)
9. List of solicitors (CID #31)
10. List of persons who have overseen, monitored or audited fundraising activities (CID #32)
11. List of persons responsible for reviewing fundraising materials, including scripts (CID #34)
12. The organization's charitable mission and a description of how the organization furthers that mission (CID #38)
13. Description of program service provided by organization (CID #39)
14. Description of all program expenditures for the "Officer Down Crisis Response" program or "Crisis Response" program (CID #40)
15. A statement as to whether participants in the above program were required to pay for any aspect of the program and, if so, the amount and purpose of such payments (CID #41)
16. Description of all program expenditures for the "Junior Police Academy" program (CID #42)
17. A statement as to whether participants in the above program were required to pay for any aspect of the program and, if so, the amount and purpose of such payments (CID #43)
18. Description of all program expenditures for the "Proceed with Caution" program (CID #44)
19. A statement as to whether participants in the above program were required to pay for any aspect of the program and, if so, the amount and purpose of such payments (CID #45)
20. List of current and former employees, title, compensation and job description (CID #46)
21. If relevant, a list of persons who have received any direct monetary grant funding (CID #48)
22. Samples of educational, outreach and support services material (CID #54)
23. Description of audience for educational, outreach and/or support services material (CID #55)
24. Description of the way the organization locates persons to receive said materials (CID #56)
25. A breakdown of joint cost allocations (CID #57)
26. List of persons involved in calculating joint cost allocations and/or who advised or consulted the organization with respect to same (CID #59)
27. Description of how the organization handles do not call requests (CID #69)
28. If relevant, a response to CID #70

Documents

1. Articles of incorporation, bylaws, and any amendments thereto (CID #1)
2. Organizational chart (CID #2)
3. Documents relating to the organization's tax-exempt status (CID #3)
4. Written policies (#5)
5. The organization will make its best efforts to provide any responsive information that is available with respect to CID #6
6. Same with respect to CID #7
7. Documents relating to hiring or retaining an outside auditor (CID #8)
8. Documents relevant to employee compensation if employee's compensation is set by the board (CID #9)
9. IRS Forms 990 (CID #12)
10. If applicable, state tax returns (CID # 13)

11. Audited financial statements (CID #14)
12. If relevant, documents responsive to CID #16
13. If relevant and applicable, documents responsive to CID # 25
14. If relevant and applicable, documents responsive to CID # 26
15. If relevant and applicable, documents responsive to CID # 27
16. If relevant and applicable, documents responsive to CID # 29, including scripts
17. If relevant and applicable, documents responsive to CID # 30
18. If relevant and applicable, documents responsive to CID # 31
19. If relevant and applicable, documents responsive to CID #34
20. If relevant and applicable, documents responsive to CID #35
21. If relevant and applicable, documents responsive to CID #36
22. If relevant and applicable, documents responsive to CID #37
23. If relevant and applicable, documents responsive to CID #38
24. If relevant and applicable, documents responsive to CID #40
25. If relevant and applicable, documents responsive to CID #44
26. If relevant and applicable, documents responsive to CID #45
27. Documents related to any inquiry made by the IRS in response to CID #50

It is important to note the information requested in Interrogatory # 46 is repeated in Document Request # 10. Similarly, the information requested in Interrogatory # 7 is provided in the IRS Forms 990, which the organization agreed to provide in response to Document Request # 12.

It is also important to note that this investigation is based primarily on do-not-call-list complaints. As you know, charitable organizations are not required to comply with the federal "do-not-call" list provisions of the TCPA and the TSR, including compliance with the national do-not-call list. *See* 47 C.F.R. § 64.1200(f)(14)(iii); 16 C.F.R. § 310.6(a). Although the organization maintains an internal do-not-call list, *id.*, the Commission lacks jurisdiction over same.

If you agree to extend the deadline for filing our motion to quash until May 12, 2014, we will make our best efforts to get you the above information as quickly as possible with the hope that it will assuage your concerns over jurisdiction and we will not have to file our motion at all. That said, we expressly reserve the right to file our motion to quash this first production, as well as any supplementary production requested, demanded or otherwise made pursuant to this CID.

If you have any questions or wish to discuss this matter, I am available to you. Please feel free to respond to me by email or to call me directly. My direct dial is 816-218-1349.

Yours very truly,



Karen Donnelly
For the Firm

EXHIBIT N



United States of America
FEDERAL TRADE COMMISSION
Southwest Region

April 14, 2014

Karen Donnelly
Copilevitz & Canter, LLC
310 W. 20th St., Suite. 300
Kansas City, MO 64108
Via Email: KDonnelly@cckc-law.com

Re: Civil Investigative Demands to Police Protective Fund, Inc., and American Association of Police Officers, Inc., issued March 19, 2014.

Dear Ms. Donnelly:

We are in receipt of your April 10, 2014 letter requesting an extension of your clients' deadline to file motions to quash the above-described CIDs. We are not yet in a position to agree to your request for an extension to May 12, 2014. However, we agree that a short extension is appropriate in light of today's deadline, to allow the parties to work on a possible modification agreement. Accordingly, the FTC agrees to extend the deadline for motions to quash to **April 21, 2014**. In the interim, we will review your offer of limited production and prepare a response.

This letter contains all agreements by the FTC concerning the CIDs issued to Police Protective Fund, Inc., and American Association of Police Officers, Inc., on March 19, 2014. In all other respects, the CIDs remain as originally issued.

Please contact Jason C. Moon at (214) 979-9378 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be "Dama J. Brown", is written over the word "Sincerely,".

Dama J. Brown
Regional Director

EXHIBIT O



United States of America
FEDERAL TRADE COMMISSION
Southwest Region

April 16, 2014

Karen Donnelly
Copilevitz & Canter, LLC
310 W. 20th St., Suite 300
Kansas City, MO 64108
Via Email: KDonnelly@cckc-law.com

Re: Civil Investigative Demands to Police Protective Fund, Inc., and American Association of Police Officers, Inc., issued March 19, 2014.

Dear Ms. Donnelly;

Our office has received your April 10, 2014 letter, in which your client offers to provide limited responses to the above-described CIDs, contingent on a second extension of the deadline to file motions to quash or limit the CIDs. I understand your client contends it is not subject to FTC jurisdiction because of its claimed not-for-profit status. Our office is willing to consider a two-stage CID response that focuses first on information and documents that are relevant to the organizations' claimed not-for-profit status. However, the responses your client offers is insufficient to address even that limited issue.

In an effort to ease your client's initial burden of response and production, I am willing to recommend that our Regional Director, Dama J. Brown, modify the CIDs as follows:

A. Deferral

I will recommend that the FTC accept an initial, limited response and defer responses to certain specifications until Southwest Region staff has had an opportunity to review the initial response. Specifically, I will recommend that responses to the following specifications be deferred:

Interrogatories 2, 33, 35-37, 53, 58, 65, 66, 70.

Requests for Production 11, 33, 46-49, 52.

In addition, I will recommend that the FTC defer responses to **Interrogatory 11** regarding employees who are not officers or supervisory employees, do not have access to the organizations' financial or credit accounts, and whose duties do not include maintaining,

overseeing, or reviewing the organizations' financial or credit accounts. I will further recommend that the FTC defer responses to **subparts f and g of Interrogatory No. 67**, and **subparts d and e of Interrogatory No. 68**. Finally, I will further recommend that the FTC defer production of documents in response to **Request for Production 51** that do not relate to the organizations' purported not-for-profit status, charitable mission, or corporate governance. Any deferral by the FTC would not waive the agency's right to insist on full and complete responses to the remaining specifications at a later date.

B. Rolling Production

As to the non-deferred items, I will recommend that the FTC accept a rolling production on the following schedule:

Non-Deferred Interrogatories: Monday, April 28, 2014.

Requests for Production 1-6, 10, 12-14, 16, 17, 27, 28, 30, 34, 50, and 53: Wednesday, May 28, 2014.

Remaining Non-Deferred Requests for Production: Friday, June 27, 2014.

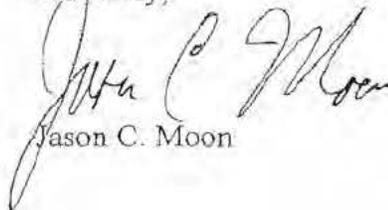
C. Extension of Deadlines to File Motion to Quash or Limit

If your client agrees to produce the non-deferred answers and responses on the rolling production schedule described above, I will recommend that the FTC extend your client's deadline to file motions to quash or limit with the Commission from the current deadline, **April 21, 2014**, until **May 12, 2014**.¹ This extension will apply to deferred items only; PPF must waive its right to move to quash or limit the non-deferred items in the production schedule.

Please note that this letter sets out in general terms what I am willing to recommend as a modification agreement. It is not a modification agreement and is for discussion purposes only. Under the Commission's rules, only our Regional Director and Assistant Regional Director have authority to enter into agreements modifying CIDs.

Please feel free to call me at (214) 979-9378 to discuss this proposal.

Sincerely,



Jason C. Moon

¹ Your correspondence identifies your client as Police Protective Fund, Inc. (PPF), and does not mention American Association of Police Officers, Inc. (AAPO). The Commission issued CIDs to both entities. Assuming that your firm confirms in writing that it intends to respond to the CID to AAPO, either separately or as part of the PPF response, this offer covers both CIDs.

EXHIBIT P

Form of Certificate of Compliance*

I/We do certify that all of the documents and information required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to such interrogatory or uncompleted portion and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NON-PUBLIC
INVESTIGATION OF DECEPTIVE FUNDRAISING

File No. 132 3286

Nature and Scope of Investigation:

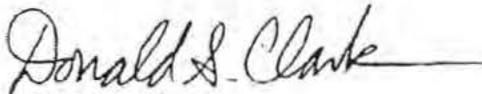
To determine whether unnamed persons, partnerships, corporations, or others, in connection with soliciting charitable contributions, donations, or gifts of money or any other thing of value, have engaged in or are engaging in (1) deceptive or unfair acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. Part 310. The investigation is also to determine whether Commission action to obtain redress for injury to consumers or others would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five (5) years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, and 57b-1; and FTC Procedures and Rules of Practice, 16 C.F.R. § 1.1 *et seq.*, and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: September 23, 2013

**CIVIL INVESTIGATIVE DEMAND FOR PRODUCTION OF DOCUMENTS AND
ANSWERS TO WRITTEN INTERROGATORIES**

I. DEFINITIONS

As used in this Civil Investigative Demand, the following definitions shall apply:

- A. "And," as well as "or," shall be construed both conjunctively and disjunctively, as necessary, in order to bring within the scope of any specification in this Schedule all information that otherwise might be construed to be outside the scope of the specification.
- B. "Any" shall be construed to include "all," and "all" shall be construed to include the word "any."
- C. "CID" shall mean the Civil Investigative Demand, including the attached Resolution and this Schedule, and including the Definitions, Instructions, and Specifications.
- D. "Company" shall mean **Police Protective Fund, Inc.**, its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, employees, agents, consultants, and other persons working for or on behalf of the foregoing.
- E. "Compensation" shall mean all forms of cash and noncash payments or benefits of any value, including, but not limited to, salary and wages, bonuses, severance payments, deferred payments, retirement benefits, pay for unused sick leave and vacation leave, overtime, number of days off, including both vacation and sick time, reimbursements, or payments for privileges, memberships, personal and family educational benefits, below market loans, insurance premiums, personal or family travel, entertainment, meals, or housing, or personal use of the organization's property or assets.
- F. "Document" shall mean the complete original and any non-identical copy (whether different from the original because of notations on the copy or otherwise), regardless of origin or location, of any written, typed, printed, transcribed, filmed, punched, or graphic matter of every type and description, however and by whomever prepared, produced, disseminated or made, including, but not limited to, any advertisement, book, pamphlet, periodical, contract, correspondence, file, invoice, memorandum, note, telegram, report, record, handwritten note, working paper, routing slip, chart, graph, paper, index, map, tabulation, manual, guide, outline, script, abstract, history, calendar, diary, agenda, minute, code book or label. **"Document" shall also include all documents, materials, and information, including Electronically Stored Information, within the meaning of the Federal Rules of Civil Procedure.**
- G. "Each" shall be construed to include "every," and "every" shall be construed to include "each."
- H. "Electronically Stored Information" or "ESI" shall mean the complete original and any non-identical copy (whether different from the original because of notations, different

metadata, or otherwise), regardless of origin or location, of any writings, drawings, graphs, charts, photographs, sound recordings, images, and other data or data compilations stored in any electronic medium from which information can be obtained either directly or, if necessary, after translation by you into a reasonably usable form. This includes, but is not limited to, electronic mail, instant messaging, videoconferencing, and other electronic correspondence (whether active, archived, or in a deleted items folder), word processing files, spreadsheets, databases, and video and sound recordings, whether stored on: cards; magnetic or electronic tapes; disks; computer hard drives, network shares or servers, or other drives; cloud-based platforms; cell phones, PDAs, computer tablets, or other mobile devices; or other storage media.

I. **"Employ," "employed," and "employee(s)"** shall be construed to relate to any and all individuals whom you control or for whose work you direct the means and methods of accomplishing, regardless of whether or not the individual is employed full-time or part-time, is paid a salary or a commission, or is compensated by some other means, or is called an employee, agent, independent contractor, or staff member.

J. **"FTC" or "Commission"** shall mean the Federal Trade Commission.

K. **"Identify" or "the identity of"** shall be construed to require identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address, or if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, identities of natural persons who are officers, directors or managers of the business or organization, and contact persons, where applicable.

L. **"Joint Activity"** shall mean an activity that is part of the fundraising function and has elements of one or more other functions, such as program, management and general, membership development, or any other functional category used by the entity.

M. **"Person" or "persons"** shall mean all natural persons, corporations, partnerships, or other business associations and all other legal entities, including all members, officers, predecessors, assigns, divisions, affiliates, and subsidiaries.

N. **"Relating to"** shall mean discussing, describing, reflecting, containing, analyzing, studying, reporting, commenting on, evidencing, constituting, setting forth, considering, recommending, concerning, or pertaining to, in whole or in part.

O. **"Telemarketer"** shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

P. **"Telemarketing"** shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

Q. **"You" and "your"** shall mean the person to whom this CID is issued and includes the "Company."

I. INSTRUCTIONS

A. **Sharing of Information:** The Commission often makes its files available to other civil and criminal federal, state, local, or foreign law enforcement agencies. The Commission may make information supplied by you available to such agencies where appropriate pursuant to the Federal Trade Commission Act and 16 C.F.R. § 4.11 (c) and (j). Information you provide may be used in any federal, state, or foreign civil or criminal proceeding by the Commission or other agencies.

B. **Meet and Confer:** You must contact Jason Moon at (214) 979-9378 as soon as possible to schedule a meeting (telephonic or in person) to be held within 14 days after receipt of this CID, or before the deadline for filing a petition to quash, whichever is first, in order to discuss compliance and to address and attempt to resolve all issues, including issues relating to protected status and the form and manner in which claims of protected status will be asserted, and the submission of ESI and other electronic productions as described in these Instructions. Pursuant to 16 C.F.R. § 2.7(k), you must make available personnel with the knowledge necessary for resolution of the issues relevant to compliance with this CID, including, but not limited to, personnel with knowledge about your information or records management systems, relevant materials such as organizational charts, and samples of material required to be produced. If any issues relate to ESI, you must make available a person familiar with your ESI systems and methods of retrieval.

C. **Applicable time period:** Unless otherwise directed in the specifications, the applicable time period for the request shall be from **January 1, 2009**, until the date of full and complete compliance with this CID.

D. **Claims of Privilege:** If any material called for by this CID is withheld based on a claim of privilege, work product protection, or statutory exemption, or any similar claim (*see* 16 C.F.R. § 2.7(a)(4)), the claim must be asserted no later than the return date of this CID. In addition, pursuant to 16 C.F.R. § 2.11(a)(1), submit, together with the claim, a detailed log of the items withheld. The information in the log shall be of sufficient detail to enable the Commission staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. Submit the log in a searchable electronic format, and, for each document, including attachments, provide:

1. Document control number(s);
2. The full title (if the withheld material is a document) and the full file name (if the withheld material is in electronic form);
3. A description of the material withheld (for example, a letter, memorandum, or email), including any attachments;
4. The date the material was created;

5. The date the material was sent to each recipient (if different from the date the material was created);
6. The email addresses, if any, or other electronic contact information to the extent used in the document, from which and to which each document was sent;
7. The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all authors;
8. The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all recipients of the material;
9. The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all persons copied on the material;
10. The factual basis supporting the claim that the material is protected; and
11. Any other pertinent information necessary to support the assertion of protected status by operation of law.

16 C.F.R. § 2.11(a)(1)(i)-(xi).

In the log, identify by an asterisk each attorney who is an author, recipient, or person copied on the material. The titles, business addresses, email addresses, and relevant affiliations of all authors, recipients, and persons copied on the material may be provided in a legend appended to the log. However, provide in the log the information required by Instruction D.6, 16 C.F.R. § 2.11(a)(2). The lead attorney or attorney responsible for supervising the review of the material and who made the determination to assert the claim of protected status must attest to the log. 16 C.F.R. § 2.11(a)(1).

If only some portion of any responsive material is privileged, all non-privileged portions of the material must be submitted. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

E. **Document Retention:** You shall retain all documentary materials used in the preparation of responses to the specifications of this CID. The Commission may require the submission of additional documents at a later time during this investigation. Accordingly, you should suspend any routine procedures for document destruction and take other measures to prevent the destruction of document that are in any way relevant to this investigation during its pendency, irrespective of whether you believe such documents are protected from discovery by privilege or otherwise. See 15 U.S.C. § 50; see also 18 U.S.C. §§ 1505, 1519.

F. **Petitions to Limit or Quash:** Any petition to limit or quash this CID must be filed with the Secretary of the Commission no later than 20 days after service of the CID, or, if the return date is less than 20 days after service, prior to the return date. Such petition shall set forth all

assertions of protected status or other factual and legal objections to the CID, including all appropriate arguments, affidavits, and other supporting documentation. 16 C.F.R. § 2.10(a)(1). Such petition shall not exceed 5,000 words as set forth in 16 C.F.R. § 2.10(a)(1) and must include the signed separate statement of counsel required by 16 C.F.R. § 2.10(a)(2). The Commission will not consider petitions to quash or limit absent a pre-filing meet and confer session with Commission staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process. 16 C.F.R. § 2.7(k); *see also* § 2.11(l).

G. Modification of Specifications: If you believe that the scope of the required search or response for any specification can be narrowed consistent with the Commission's need for documents or information, you are encouraged to discuss such possible modifications, including any modifications of definitions and instructions, with **Jason Moon** at (214) 979-9378. All such modifications must be agreed to in writing by the Bureau Director, or a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director. 16 C.F.R. § 2.7(f).

H. Certification: A responsible corporate officer of the Company shall certify that the response to this CID is complete. This certification shall be made in the form set out on the back of the CID form, or by a declaration under penalty of perjury as provided by 28 U.S.C. § 1746.

I. Scope of Search: This CID covers documents and information in your possession or under your actual or constructive custody or control including, but not limited to, documents and information in the possession, custody, or control of your attorneys, accountants, directors, officers, employees, and other agents and consultants, whether or not such documents and information were received from or disseminated to any person or entity.

J. Document Production: You shall produce the documentary material by making all responsive documents available for inspection and copying at your principal place of business. Alternatively, you may elect to send all responsive documents to **James E. Elliott, Federal Trade Commission, Southwest Region, 1999 Bryan Street, Suite 2150, Dallas, TX 75201**. Notice of your intended method of production shall be given by email or telephone to **Jason Moon** at jmoon@ftc.gov or (214) 979-9378, at least five days prior to the return date.

K. Document Identification: Documents that may be responsive to more than one specification of this CID need not be submitted more than once; however, your response should indicate, for each document submitted, each specification to which the document is responsive. If any documents responsive to this CID have been previously supplied to the Commission, you may comply with this CID by identifying the document(s) previously provided and the date of submission. Documents should be produced in the order in which they appear in your files or as electronically stored and without being manipulated or otherwise rearranged; if documents are removed from their original folders, binders, covers, containers, or electronic source in order to be produced, then the documents shall be identified in a manner so as to clearly specify the folder, binder, cover, container, or electronic media or file paths from which such documents came. In addition, number by page (or file, for those documents produced in native electronic format) all documents in your submission, preferably with a unique Bates identifier, and indicate the total number of documents in your submission.

1. **Production of Copies:** Unless otherwise stated, legible photocopies (or electronically rendered images or digital copies of native electronic files) may be submitted in lieu of original documents, provided that the originals are retained in their state at the time of receipt of this CID. Further, copies of originals may be submitted in lieu of originals only if they are true, correct, and complete copies of the original documents, provided, however, that submission of a copy shall constitute a waiver of any claim as to the authenticity of the copy should it be necessary to introduce such copy into evidence in any Commission proceeding or court of law; and provided further that you shall retain the original documents and produce them to Commission staff upon request. Copies of marketing materials and advertisements shall be produced in color, and copies of other materials shall be produced in color if necessary to interpret them or render them intelligible.

M. **Electronic Submission of Documents:** The following guidelines refer to the production of any Electronically Stored Information ("ESI") or digitally imaged hard copy documents. Before submitting any electronic production, you must confirm with the Commission counsel named above that the proposed formats and media types will be acceptable to the Commission. The FTC requests Concordance load-ready electronic productions, including DAT and OPI load files.

1. **Electronically Stored Information:** Documents created, utilized, or maintained in electronic format in the ordinary course of business should be delivered to the FTC as follows:
 - a. Spreadsheet and presentation programs, including, but not limited to, Microsoft Access, SQL, and other databases, as well as Microsoft Excel and PowerPoint files, must be produced in native format with extracted text and metadata. Data compilations in Excel spreadsheets, or in delimited text formats, must contain all underlying data un-redacted with all underlying formulas and algorithms intact. All database productions (including structured data document systems) must include a database schema that defines the tables, fields, relationships, views, indexes, packages, procedures, functions, queues, triggers, types, sequences, materialized views, synonyms, database links, directories, Java, XML schemas, and other elements, including the use of any report writers and custom user data interfaces;
 - b. All ESI other than those documents described in (1)(a) above must be provided in native electronic format with extracted text or Optical Character Recognition (OCR) and all related metadata, and with corresponding image renderings as converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or as color JPEG images (where color is necessary to interpret the contents);
 - c. Each electronic file should be assigned a unique document identifier ("DocID") or Bates reference.

2. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business should be submitted in an electronic format when at all possible. These documents should be true, correct, and complete copies of the original documents as converted to TIF (or color JPEG) images with corresponding document-level OCR text. Such a production is subject to the following requirements:

- a. Each page shall be endorsed with a document identification number (which can be a Bates number or a document control number); and
- b. Logical document determination should be clearly rendered in the accompanying load file and should correspond to that of the original document; and
- c. Documents shall be produced in color where necessary to interpret them or render them intelligible.

3. For each document electronically submitted to the FTC, you should include the following metadata fields in a standard ASCII delimited Concordance DAT file:

- a. **For electronic mail:** begin Bates or unique document identification number ("DocID"), end Bates or DocID, mail folder path (location of email in personal folders, subfolders, deleted or sent items), custodian, from, to, cc, bcc, subject, date and time sent, date and time received, and complete attachment identification, including the Bates or DocID of the attachments (AttachIDs) delimited by a semicolon, MD5 or SHA Hash value, and link to native file;
- b. **For email attachments:** begin Bates or DocID, end Bates or DocID, parent email ID (Bates or DocID), page count, custodian, source location/file path, file name, file extension, file size, author, date and time created, date and time modified, date and time printed, MD5 or SHA Hash value, and link to native file;
- c. **For loose electronic documents (as retrieved directly from network file stores, hard drives, etc.):** begin Bates or DocID, end Bates or DocID, page count, custodian, source media, file path, filename, file extension, file size, author, date and time created, date and time modified, date and time printed, MD5 or SHA Hash value, and link to native file;
- d. **For imaged hard copy documents:** begin Bates or DocID, end Bates or DocID, page count, source, and custodian; and where applicable, file folder name, binder name, attachment range, or other such references, as necessary to understand the context of the document as maintained in the ordinary course of business.

4. If you intend to utilize any de-duplication or email threading software or services when collecting or reviewing information that is stored in your computer systems or electronic storage media, or if your computer systems contain or utilize such software, you must contact the Commission counsel named above to determine whether and in what manner you may use such software or services when producing materials in response to this Request.
5. Submit electronic productions as follows:
 - a. With passwords or other document-level encryption removed or otherwise provided to the FTC;
 - b. As uncompressed electronic volumes on size-appropriate, Windows-compatible media;
 - c. All electronic media shall be scanned for and free of viruses;
 - d. Data encryption tools may be employed to protect privileged or other personal or private information. The FTC accepts TrueCrypt, PGP, and SecureZip encrypted media. The passwords should be provided in advance of delivery, under separate cover. Alternate means of encryption should be discussed and approved by the FTC.
 - e. Please mark the exterior of all packages containing electronic media sent through the U.S. Postal Service or other delivery services as follows:

**MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR POSTAL INSPECTION.**

6. All electronic files and images shall be accompanied by a production transmittal letter which includes:
 - a. A summary of the number of records and all underlying images, emails, and associated attachments, native files, and databases in the production; and
 - b. An index that identifies the corresponding consecutive document identification number(s) used to identify each person's documents and, if submitted in paper form, the box number containing such documents. If the index exists as a computer file(s), provide the index both as a printed hard copy and in machine-readable form (provided that the Commission counsel named above determines prior to submission that the machine-readable form would be in a format that allows the agency to use the

computer files) The Commission counsel named above will provide a sample index upon request.

N. Sensitive Personally Identifiable Information: If any material called for by these requests contains sensitive personally identifiable information or sensitive health information of any individual, please contact us before sending those materials to discuss whether it would be appropriate to redact the sensitive information. If that information will not be redacted, contact us to discuss encrypting any electronic copies of such material with encryption software such as Secure Zip and provide the encryption key in a separate communication.

For purposes of these requests, sensitive personally identifiable information includes: an individual's Social Security number alone; or an individual's name or address or phone number in combination with one or more of the following: date of birth; Social Security number; driver's license number or other state identification number or a foreign country equivalent; passport number; financial account number; credit card number; or debit card number. Sensitive health information includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

O. Information Identification: Each specification and subspecification of this CTD shall be answered separately and fully in writing under oath. All information submitted shall be clearly and precisely identified as to the specification(s) or subspecification(s) to which it is responsive.

III. SPECIFICATIONS

A. INTERROGATORIES

Please provide the following information:

Background

1. Identify the Company and state:
 - a. All names under which the Company does or has done business; and
 - b. Each address from which the Company does or has done business, the time period each address was used, and a description of the business conducted at each address.
2. Identify the Uniform Resource Locator (URL), web address, or other unique identifier for each website, social media account, or email address owned or used by the Company to communicate with donors, to solicit or accept donations, or to describe, promote, or provide its program services.

Board Members and Activities

3. Identify each current and former member of the Company's board of directors. For each board member, state the date(s) of service and any offices held.
4. State the date and location of each board meeting and identify each person in attendance.
5. Identify each committee appointed by the board of directors, including both standing and ad hoc committees, and describe the purpose and function of that committee. For each committee, identify all current and former members.
6. Describe the Company's policies and procedures for recruiting board members and electing officers.
7. Identify any person with whom the Company has done business who is a relative of a current or former member of the board of directors or, in the case of an entity, employs or is owned by, in whole or in part, a current or former member of the board of directors or a relative of a current or former member of the board of directors.
8. State the Company's policies and procedures for identifying and resolving conflicts of interest, and, for each instance in which any current or former member of the board of directors identified a conflict of interest:
 - a. State whether the board followed the Company's policies and procedures for resolving conflicts of interest;
 - b. Identify the person with the conflict and the board members involved in any action related to the conflict; and
 - c. Describe the conflict and its resolution or current status.
9. Identify each current or former member of the board of directors who has participated in any performance review of the chief executive officer, executive director, or any other employee whose compensation is set or approved by, or performance appraised by, the board of directors, and state the date(s) of the relevant review(s) and the person whose performance was reviewed.

Employees

(Please note the definition of "employee" in Section II, above)

10. List all job titles or positions at the Company, and describe the duties and responsibilities for each.
11. Identify all current and former employees of the Company and for each, state:
 - a. The dates of employment;
 - b. All positions held with the Company;
 - c. The employee's compensation on an annual basis; and
 - d. The reason that the employee no longer works for the Company, if applicable.

12. Describe the Company's policies and procedures relating to completing employee performance reviews, and identify the person(s) responsible for conducting any such reviews.

Company Finances and Oversight

13. Identify by institution and account number each financial account used by the Company, or into which donations made to or for the benefit of the Company have been deposited, including, but not limited to, bank accounts, credit card accounts, and accounts with credit card merchant account providers, ACH transfer service providers, remotely authorized check providers, payment escrow providers, or other payment processors.

14. Identify each person who is a signatory or has control over any financial account used by the Company, or into which donations made to or for the benefit of the Company have been deposited.

15. Identify each person who reviews or has reviewed account statements for any financial account used by the Company, or into which donations made to or for the benefit of the Company have been deposited.

16. Describe the Company's policies and procedures regarding overseeing, monitoring, or auditing any financial account used by the Company, or into which donations made to or for the benefit of the Company have been deposited, and identify each person responsible for such overseeing, monitoring, or auditing. Include in your description the date(s) any such policies were implemented and updated, and identify the persons responsible for approving such implementation and updating.

17. Describe the Company's policies and procedures regarding issuance and use of Company debit and credit cards, specifically including any steps taken by the Company to oversee, monitor, or audit the use of Company debit and credit cards and each person responsible for any such oversight, monitoring, or audit. Include in your description the date(s) any such policies were implemented and updated, and identify the persons responsible for approving such implementation and updating.

18. Identify each person who is or has been authorized to use a Company debit or credit card, the purposes for which use of the card was authorized, and the dates during which that person used the Company debit or credit card.

19. Identify any person who has used a Company debit or credit card without authorization or in a manner that was inconsistent with authorized use, and describe all steps taken by the Company to resolve the issue, including whether reimbursement for the unauthorized expenditures was obtained.

20. Describe the Company's policies and procedures regarding issuance and use of any portable electronic communications device, including, but not limited to, cellular telephones, Blackberries, iPads or similar devices, or payment by the Company for services related to the device, including any steps taken by the Company to oversee, monitor, or audit the use of Company-issued devices or devices for which the Company paid for services, and the person responsible for any such oversight, monitoring, or audit. Include in your description the date(s) any such policies were implemented and updated, and identify the persons responsible for approving such implementation and updating.
21. Identify each person to whom the Company provides or has provided any portable electronic communications device, including, but not limited to, cellular telephones, Blackberries, iPads or other similar devices, or for whom the Company pays or has paid for services related to such a device, and describe any restrictions or limitations placed on the use of the device, and the program-related reason for providing the device or services related to the device to that person.
22. Identify each person who has used a Company-issued portable communications device, including, but not limited to, a cellular telephone, Blackberry, iPad or other similar device, or a device for whom the Company has paid for services, without authorization or in a manner that was inconsistent with authorized use, and describe all steps taken by the Company to resolve the issue, including whether reimbursement for the device or services for the device was obtained.
23. Describe the Company's policies and procedures regarding providing any vehicle or paying or reimbursing vehicle-related expenses, specifically including any steps taken by the Company to oversee, monitor, or audit the use of Company vehicles or vehicles for which the Company paid or reimbursed related expenses, and the person responsible for any such oversight, monitoring, or audit. Include in your description the date(s) any such policies were implemented and updated, and identify the persons responsible for approving such implementation and updating.
24. Identify each person to whom the Company provides or has provided any vehicle, or pays or has paid, or reimburses or has reimbursed, any vehicle-related expense, and describe any restrictions or limitations placed on the use of the vehicle, and the program-related reason for providing the vehicle to that person, or paying or reimbursing vehicle-related expenses.
25. Identify each person who has used a Company vehicle, or a vehicle for which the Company has paid related expenses, without authorization or in a manner that was inconsistent with authorized use, and describe all steps taken by the Company to resolve the issue, including whether reimbursement for the vehicle or the vehicle-related expenses was obtained.

26. Describe the Company's policies and procedures relating to payment for travel or entertainment expenses, and for each person for whom the Company has paid travel or entertainment expenses:

- a. Identify the person;
- b. State the date(s), location, description, and purpose of said travel or entertainment;
- c. State the cost to the Company; and
- d. Identify the person(s) who authorized the expense.

27. Describe the Company's policies and procedures relating to making loans to any person, and for each person to whom the Company has made a loan:

- a. Identify the person;
- b. State the date, amount, and terms of the loan;
- c. State whether the loan was repaid pursuant to those terms or otherwise; and
- d. Identify the person(s) who authorized the loan.

28. For any person other than an employee to whom the Company has paid in excess of \$5,000 during any calendar year (including, but not limited to, Pinpoint Dialogix, Inc., and Data Entry and Technical Services, Inc.):

- a. Identify the person;
- b. Identify whether any officer, director, or employee of the Company is related by blood, marriage, or personal relationship to the person, or in the case of an entity, any officer, director, or employee of the entity, and describe the relationship;
- c. Describe the goods or services provided by the person to the Company; and
- d. Identify the person(s) who authorized the payments.

29. Describe the Company's policies and procedures for receipt, counting, and custody of cash, whether donations or otherwise, and identify each person with access to any cash received or held by the Company.

30. Identify each accountant or other person with financial, accounting, or tax expertise, with whom the Company has consulted about its financial affairs.

Fundraising

31. Identify each person other than the Company's employees that has solicited donations on behalf of the Company. State for each such person:

- a. The date(s) and method of the solicitation;
- b. The total funds raised annually; and
- c. The net funds retained annually by the Company as a result of that fundraising.

32. Identify each person who has overseen, monitored, or audited the Company's fundraising activities.

33. Describe each fundraising event sponsored, organized, or attended by the Company with the intent of soliciting donations for the Company, including:
- The date and description of the event;
 - The identity of the Company employee(s) responsible for or attending the event;
 - The manner in which the event was advertised or marketed;
 - The net revenue or loss to the Company as a result of the event;
 - The revenue attributed to program services for the event; and
 - The nature of any program services provided in connection with the event.
34. Identify each person responsible for creating, reviewing, or approving any claims made to potential donors in connection with fundraising by or on behalf of the Company, including claims made in telemarketing script, direct mail solicitations, pledge fulfillment, thank you or donation receipt mailings, email solicitations, online or other digital or electronic materials, and workplace campaigns.
35. Identify by title or description each telephone script provided to employees or used in connection with interactions with donors for any purpose, including, but not limited to, fundraising, rebuttals, quality assurance, billing or address verification, or responding to complaints, and state the following:
- The time period (by month and year) during which the script was provided to employees or used;
 - The purpose for which the script was provided to employees or used (e.g., fundraising, rebuttals, billing or address verification, etc.);
 - The telemarketing campaign for which the script was provided to employees or used;
 - If the script was intended for use with donors from a specific state, the state for which the script was used; and
 - If the script was modified or discontinued, the date the script was modified or discontinued, and the reason for the modification or discontinuance.
36. For each year during the applicable time period, state:
- The total number of individuals who made monetary donations to the Company;
 - A state-by-state breakdown of the number of individuals in each state who made such donations; and
 - The amount donated, by state.
37. State each mailing address to which any donor's monetary contribution to the Company has been directed, the person responsible for receiving the mail at that address, and whether the address is associated with a particular calling campaign or calls to donors in a particular state.

Program Services

38. State the Company's charitable mission, and describe how the Company furthers the mission.

39. Describe any program service provided by the Company, including program services claimed to be provided through joint activities. For each such program service, state:
- A description of the program service and how it relates to the Company's mission;
 - The total dollar amount expended on the program service for each year;
 - The person at the Company responsible for authorizing and implementing the program service; and
 - The number of individuals who receive or benefit from the program service.
40. For the "Officer Down Crisis Response" program, or "Crisis Response" program, identify and describe all program expenditures by the Company and the annual costs to the Company for each type of program expenditure. For purposes of this Interrogatory, "program expenditures" includes, but is not limited to, costs associated with:
- Personnel to administer the program;
 - Instructors;
 - Live events (e.g., use of facilities, speaker fees, equipment rental, insurance, permits, etc.);
 - Videoconferencing, data streaming, website design or maintenance, or online interaction;
 - Crisis response/ funeral planning seminars (including John Cooley seminars); and
 - Compiling material for the Police Chaplain Project.
41. For the "Officer Down Crisis Response" program or "Crisis Response" program, state whether participants were required to pay for any aspect of the program (including, but not limited to: membership fees, enrollment fees, seminar fees, or fees for materials). If so, state the amount and purpose of any required payments and the total amounts paid annually by participants for each type of required payment.
42. For the "Junior Police Academy" program, identify and describe all program expenditures by the Company and the annual cost to the Company for each type of program expenditure. For purposes of this Interrogatory, "program expenditures" includes, but is not limited to, costs associated with:
- Personnel to administer the various components of the program;
 - Instructors;
 - Live events (e.g., use of facilities, speaker fees, equipment rental, insurance, permits, etc.);
 - Videoconferencing, data streaming, website design or maintenance, or online interaction;
 - Certificates, prizes, awards, T-shirts, or branded items; and
 - Summer camps, day camps, or after school programs (e.g., facility costs, insurance, licensing, permitting, security, supervision, etc.).

43. For the "Junior Police Academy" program, state whether participants were required to pay for any aspect of the program (including, but not limited to: membership fees, enrollment fees, seminar fees, fees for materials, payment for certificates, or payments for T-shirts or branded items). If so, state the amount and purpose of any required payments, and state the total amounts paid by participants annually for each type of required payment.

44. For the "Proceed With Caution" program, identify and describe all program expenditures by the Company, and state the annual cost to the Company for each type of program expenditure. For purposes of this Interrogatory, "program expenditures" includes, but is not limited to, costs associated with:

- a. Personnel to administer the various components of the program;
- b. Instructors;
- c. Live events (e.g., use of facilities, speaker fees, equipment rental, insurance, permits, etc.);
- d. Videoconferencing, data streaming, website design or maintenance, or online interaction; and
- e. Designing, publishing, reproducing, and distributing educational materials (provide separate answers as to materials distributed to donors and materials distributed to the general public or the law enforcement community).

45. For the "Proceed With Caution" program, state whether participants were required to pay for any aspect of the program (including, but not limited to, membership fees, enrollment fees, seminar fees, or fees for materials). If so, state the amount and purpose of any required payments and the total amounts paid annually by participants for each type of required payment.

46. For any current or former employee, all or part of whose compensation related to program services (other than program services associated with joint activities) during the relevant time period:

- a. Identify the person and state the person's title;
- b. State the dates during which the person was employed or compensated by the Company;
- c. Identify the program to which the person's compensated employment is/was related;
- d. Describe the person's specific job functions;
- e. State the person's monthly compensation and the number of hours the person is/was assigned to work in a month; and
- f. State the number of hours that are/were allocated to program expenses other than joint activity program expenses.

47. Identify any person who received any program service (including grants) from the Company who was known to a current or former board member or employee (friend, relative, neighbor, church member, etc.) before that person received any program service(s) from the Company, and describe the relationship and the program service(s) provided.

Direct Monetary Grants, Goods, and Non-Monetary Benefits

48. Identify each person who has received any direct monetary grant from the Company and state the date and amount(s) of the direct monetary grant.
49. Describe each way that the Company locates persons to receive monetary grants, and describe what qualifications or restrictions the Company imposes on the provision of such monetary grants.
50. For each person who has received goods or non-monetary benefits from the Company:
- a. Identify the recipient;
 - b. Describe the goods or non-monetary benefit;
 - c. Describe the manner in which the Company determined what goods or non-monetary benefits to provide to the recipient;
 - d. State the dates on which the goods or non-monetary benefits were provided;
 - e. State the total dollar value of the goods;
 - f. State the basis for determining the value of the goods; and
 - g. Identify of the person who authorized the Company's provision of goods or non-monetary benefits.
51. Describe each way that the Company locates persons to receive goods or non-monetary benefits, and describe what qualifications or restrictions the Company imposes on any such person prior to providing the goods or non-monetary benefits.
52. Identify the person(s) who authorizes the Company's donation of monetary grants or the provision of goods or non-monetary benefits by the Company to recipients.
53. Identify each person employed by the Company involved in the Company's donation of monetary grants, or acquisition or provision of goods or non-monetary benefits by the Company to recipients, and describe the functions that person undertakes, and state the number of hours that the person devotes to these tasks.

Educational, Outreach and Support Services Materials

54. As to each item constituting educational, outreach or support services material produced by or on behalf of the Company as program services, including, but not limited to, brochures, pamphlets, flyers, curricula, websites, presentations, videos, journals, newsletters, and decals:
- a. Describe the material;
 - b. Identify all persons who created, produced, or distributed the material;
 - c. State the time period in which the material was initially produced or acquired;
 - d. State the cost to the Company for initial production or acquisition of the material;
 - e. State, on an annual basis, the number of units of the material produced or acquired, the number of units distributed, and the cost to the Company of producing, reproducing, acquiring, and/or distributing the material;

- f. State, on an annual basis, the total number of entities or persons who received the material from the Company;
- g. State, on an annual basis, the total amount claimed by the Company as a program service related to any such material and how that valuation was reached;
- h. State the title of the program to which the cost was allocated; and
- i. Identify the person who authorized the production, acquisition, or distribution of the material.

This Interrogatory includes, but is not limited to, materials associated with: i) the Survivor Network; ii) the Police Chaplain Project; iii) funeral planning seminars; iv) survivor support services; v) development of department protocol for line-of-duty deaths; vi) Junior Police Academy; vii) "Proceed With Caution" public awareness campaign; viii) "Proceed With Caution" direct mailings; and ix) "Proceed With Caution" online resources.

55. Identify each person to whom the Company provided educational or outreach material or support services material produced by or on behalf of the Company, and describe the material received by the recipient and the date on which it was received.

56. Describe each way that the Company locates persons to receive educational, outreach, or support services material.

Joint cost allocation

57. For each year that the Company has allocated a portion of the cost of joint activities to program services ("joint cost allocation"):

- a. Identify each fundraising campaign for which a portion of the costs were allocated to program services;
- b. State the amount of expenses allocated to program services, for each such campaign;
- c. Describe the nature of the program service claimed to be provided as part of the fundraising; and
- d. Identify the person who authorized the Company's claimed joint cost allocation.

58. Identify each person involved in designing, drafting, or otherwise creating any fundraising material that has been identified as related to program services for joint cost allocation.

59. Identify each person involved in calculating the joint cost allocations claimed by the Company, and each person who advised or consulted with the Company concerning its joint cost allocations.

Affiliated Entities

60. For any entity *to* which the Company has *provided* direct or indirect support where any officer, director, or employee of the Company is related by blood, marriage, or personal relationship to any officer, director, or employee of the entity:

- a. Identify the entity and the person(s) responsible for operating the entity;
- b. State the nature of the relationship between the officers, directors, or employees of the two entities;
- c. Describe the support provided by the Company (*e.g.*, cash, office space, access to donor lists, employee time, etc.) and the value of the support;
- d. Describe how providing the support benefits the Company or otherwise relates to its mission; and
- e. Identify the person(s) at the Company who authorized providing the support.

61. For any entity *from* which the Company has *received* direct or indirect support where any officer, director, or employee of the Company is related by blood, marriage, or personal relationship to any officer, director, or employee of the entity:

- a. Identify the entity and the person(s) responsible for operating the entity;
- b. State the nature of the relationship between the officers, directors, or employees of the two entities;
- c. Describe the support received by the Company (*e.g.*, cash, office space, access to donor lists, employee time, etc.) and the value of the support; and
- d. Identify the person(s) at the Company who arranged to receive the support.

Donor Lists

62. Describe the Company's policies and procedures relating to the sale, rental, or exchange of any list of donor names and contact information to third parties for uses unrelated to solicitations on behalf of the Company.

63. For each entity that has solicited donations on behalf of the Company or provided donor lists to the Company, state whether the Company received exclusive control over the names of any donors, shared control with the entity, or had no control, and describe what happened to the donor list at the end of the Company's relationship with that entity.

64. Identify each entity to which the Company has sold, rented, or otherwise provided its donor list, and describe the purpose for which the list was used, the type of exchange and any revenue or other benefit received for use of the list.

65. State the total number of individuals on the Company's donor list and provide a state-by-state breakdown of the numbers of such donors.

Telemarketing Practices

66. Provide the names and addresses of all telecommunications providers whose services the Company, or any entity acting on behalf of the Company, has used for telemarketing, and list all telephone numbers used to place outbound telephone calls.
67. Identify all telemarketing companies that provided telemarketing services to the Company, and state:
- a. The time period during which the telemarketing services were provided;
 - b. The name of each telemarketing campaign the telemarketing company conducted on behalf of the Company and the date that the identified telemarketing campaign began and ended;
 - c. The purpose of the telemarketing;
 - d. The amount paid by the Company to the telemarketing company in connection with each identified telemarketing campaign;
 - e. The state(s) to which the telemarketing campaign was directed;
 - f. The total number of telephone calls made in connection with each identified telemarketing campaign;
 - g. The total number of telephone calls made in connection with each identified telemarketing campaign to persons who had previously requested that they not be contacted by or on behalf of the Company.
68. For each telemarketing campaign conducted by the Company's own employees, state:
- a. The name of each telemarketing campaign and the date that the identified telemarketing campaign began and ended;
 - b. The purpose of the telemarketing;
 - c. The state(s) to which the telemarketing campaign was directed;
 - d. The total number of telephone calls made in connection with each identified telemarketing campaign; and
 - e. The total number of telephone calls made in connection with each identified telemarketing campaign to persons who had previously requested that they not be contacted by or on behalf of the Company.
69. Provide a detailed description of any procedures established by the Company to comply with Sections § 310.4(b)(1)(ii) and § 310.4(b)(1)(iii) of the Telemarketing Sales Rule and to ensure that telemarketing companies that conducted telemarketing campaigns on behalf of the Company were complying with these provisions of the Rule, and:
- a. State the date(s) that the procedures were established and in effect;
 - b. Identify the persons responsible for training personnel to implement the procedures;
 - c. Identify the persons responsible for monitoring the effect of the procedures; and
 - d. Identify the persons responsible for enforcing the procedures.

70. Provide a detailed list of each telephone number to which a telemarketing call was placed by the Company or a telemarketing company calling on its behalf, after the Company or telemarketing company received an entity-specific do not call request pursuant to Section 310.4(b)(1)(iii)(A). Each telephone entry should indicate the telephone number, the name of the person called, the date and time of the call, and the identity of the telemarketing campaign involved.

71. Describe the Company's policies and procedures relating to recording calls and preserving call recordings.

Third Party Contacts

72. Identify any investigation, inquiry, action, arbitration or other proceeding, from or on behalf of any governmental agency, relating to the Company's fundraising or telemarketing practices, purported not-for-profit or charitable status, or corporate governance, and:

- a. Identify the parties and the investigator(s);
- b. State the date the action commenced and ended; and
- c. Provide a brief description of the nature of the investigation and the final outcome.

For purposes of this Interrogatory, please provide the requested information regardless of date and not limited to the applicable time period.

73. Identify every lawsuit filed against the Company relating to the Company's fundraising or telemarketing practices, purported not-for-profit or charitable status, or corporate governance, and for each suit, state:

- a. The parties;
- b. Case number and court where filed;
- c. Date filed and date of disposition;
- d. The identity of any Company employee, officer, or director who was deposed in connection with the lawsuit; and
- e. Any final disposition.

For purposes of this Interrogatory, please provide the requested information regardless of date and not limited to the applicable time period.

74. If, for any specification, there are documents that would have been responsive to this CID that were destroyed, mislaid, lost, transferred, deleted, altered, or over-written, describe the date and the circumstances.

75. Identify each person answering these interrogatories, supplying information or assisting in any way the preparation of the answers to these interrogatories.

76. Identify the custodian of all records produced pursuant to this CID.

B. DOCUMENTS REQUESTED

Please produce the following documents:

Background

1. The Company's articles of incorporation, bylaws, and any amendments thereto.
2. The Company's organizational chart.
3. All documents relating to establishing and maintaining the tax-exempt status of the Company, including the IRS Form 1023, any supplemental documents filed with the Internal Revenue Service, and any communications between the Company and the IRS relating to its tax-exempt status.
4. Copies of any local, state, or federal license or permit to conduct business or otherwise operate the Company or any chapter or division thereof.
5. All documents constituting written policies of the Company, including, but not limited to, employee manuals, record retention policies, whistleblower policies, and conflict of interest policies.

Board Members and Activities

6. All documents prepared by, on behalf of, or provided to the board of directors of the Company, including:
 - a. Minutes of each meeting of the board of directors;
 - b. Records of any board actions taken outside of a board meeting;
 - c. Attachments, handouts, or other documents discussed at any board meeting;
 - d. Any periodic budget, profit and loss statement, balance sheet, or other financial reporting document;
 - e. Any strategic plan, business plan, or other such document;
 - f. Reports of any committee established by, or reporting to, the board of directors, and any minutes from meeting(s) of each such committee; and
 - g. Records relating to the use of the conflict of interest policy by the board of directors in connection with any particular action.
7. All documents relating to communications to or from any current or former member of the board of directors, officer, or manager concerning the Company's nonprofit mission or status, its finances, or the business of the board of directors, including any communications relating to:
 - a. Opening of new chapters or offices;
 - b. Providing services or benefits to any particular person;
 - c. Fundraising and administrative costs;
 - d. Hiring or retaining fundraisers or fundraising consultants;
 - e. Complaints from donors;
 - f. Media reports about the Company and its operations;
 - g. Executive compensation;

- h. Payment or reimbursement for travel, meals, or entertainment for individual board members, their families, or guests;
 - i. Board-related training;
 - j. The election or recruitment of officers and directors; and
 - k. Conflicts of interest.
8. All documents relating to hiring or retaining an outside auditor to review the Company's books and records, including, but not limited to, any presentation, report, or other document prepared by an outside auditor and provided to the board of directors.
9. For the chief executive officer, executive director, and any other employees whose compensation is set or approved by the board of directors:
- a. All documents relating to the payment of compensation;
 - b. All documents relied upon by the board of directors to determine the total compensation package and employment terms and conditions, including all compensation studies or surveys performed by the board of directors or by consultants hired by the board of directors;
 - c. All employment contracts or other agreements; and
 - d. All documents relating to any performance review by the board of directors or a committee thereof.

Employees

10. Documents sufficient to show job descriptions, employment terms and conditions, and total compensation package for each job position within the Company.
11. All documents relating to the discipline of employees, including, but not limited to, discipline for violating the Telemarketing Sales Rule or misrepresenting any aspect of the Company's mission, programs, affiliation, geographic location, or use of funds.

Company Finances and Oversight

12. All of the following Internal Revenue Service forms filed by the Company:
- a. IRS Forms 990;
 - b. IRS Forms 1099;
 - c. IRS Forms W-2 for any directors, officers, and managers; and
 - d. IRS Forms W-2 for any employees identified in response to Interrogatory No. 46.
13. All state tax returns and registration-related documents prepared or filed by or on behalf of the Company.
14. Each audit prepared by or on behalf of the Company.
15. For all checking, depository, savings, investment, credit card, debit card, charge card, loan, or other financial account in any bank, credit union, or other financial institution, held in

the name of the Company, or into which donations made to or for the benefit of the Company have been deposited, the following documents:

- a. Monthly statements;
- b. General ledgers;
- c. Check registers;
- d. Savings account registers; and
- e. Records of transfer of funds by wire or collection.

16. Documents sufficient to show the Company's policies and practices regarding overseeing, monitoring, or otherwise auditing any checking, depository, savings, investment, credit card, debit card, charge card, or other financial accounts in any bank, credit union, or other financial institution account in any bank or other financial institution, held in the name of the Company, or into which donations made to or for the benefit of the Company have been deposited.

17. Documents sufficient to show the Company's policies and practices regarding issuance and use of Company credit cards, debit cards, or charge cards.

18. All documents relating to unauthorized use of the Company's financial accounts, credit cards, debit cards, or charge cards.

19. All documents relating to payment by the Company for, or reimbursement of, any travel-related expense for any officer, director, employee, consultant, or a first degree relative thereof (spouse, father/mother, sibling, child, or any spouse thereof), and any guest.

20. All documents relating to payment for, or reimbursement of, any expenditure by any officer, director, employee, consultant, or a first degree relative thereof (spouse, father/mother, sibling, child, or any spouse thereof).

21. All documents relating to the Company's provision to any person of any portable electronic communications device, including, but not limited to, telephones, "smart" phones, Blackberries, iPads or other similar devices, including:

- a. Account applications and related documents; and
- b. Monthly account statements.

22. All documents relating to unauthorized use of portable electronic communications devices.

23. All documents relating to the purchase, lease, or use of real property or vehicles by the Company.

24. All insurance policies held by the Company or paid by the Company on behalf of individuals, including real property insurance, car insurance, other liability insurance, life insurance, disability insurance, or directors and officers insurance, but excluding health insurance.

25. All documents relating to any loan made by the Company to any officer, director, or employee, and any loan made by any officer, director, or employee to the Company.
26. All documents relating to bids, proposals, offers, contracts, invoices, or payment records for any person other than an employee to whom the Company has paid in excess of \$5,000.00 during any calendar year (including, but not limited to, Pinpoint Dialogix, Inc. and Data Entry and Technical Services, Inc.).
27. Documents sufficient to show the Company's policies and practices related to the receipt, counting, and custody of cash.
28. Documents sufficient to show the Company's policies and practices related to the prevention or deterrence of fraud, theft, embezzlement, or other unauthorized taking of money or property belonging to the Company, and all documents relating to such any theft, embezzlement, or other unauthorized taking.

Fundraising

29. All materials used in connection with soliciting donations to the Company, whether used directly by the Company or by a third party on the Company's behalf, including telephone scripts, direct mail pieces, newspaper advertisements, electronic mail, websites, social media accounts, and other online environments, and
 - a. Documents sufficient to reflect the date(s) that the particular solicitation material was in use; and
 - b. Documents sufficient to disclose the identity of each fundraiser or other third party who used the material.
30. All other telephone scripts used in connection with interacting with donors or potential donors, including, but not limited to, rebuttals, billing or address verification, quality assurance, and responding to complaints by donors or potential donors.
31. All documents containing information about the Company or its programs provided by the Company, or any third party on the Company's behalf, to potential or actual donors, including, but not limited to, any marketing or public outreach materials and any information made available online, electronically, or otherwise accessible via the Internet.
32. All documents constituting communications between the Company and any third party about training, review, monitoring, or other oversight of fundraisers or other persons soliciting by or on behalf of the Company, including, e.g., instructions, policies, manuals, and reports.
33. Documents sufficient to show the following as to each fundraising event sponsored or organized by or on behalf of the Company:
 - a. Advertising about the event;
 - b. Participants in the event;
 - c. Sponsors of the event;
 - d. The manner in which donations to the Company were collected;

- e. The purpose of the event and how it relates to the Company's mission;
- f. Revenues and expenses related to the event; and
- g. The revenue attributed to program services associated with the event.

34. For each fundraiser (other than employees) or other third party who has solicited donations on behalf of the Company, documents sufficient to disclose:

- a. The total funds raised by that fundraiser or third party on an annual basis;
- b. The total amount paid by the Company to that fundraiser or third party;
- c. The total amount paid by the Company to any other person in connection with its receipt of funds from that fundraiser or other third party (e.g., any consultant, list company, mailing house, caging operation, payment processor, etc.); and
- d. The amount of funds raised by that fundraiser or third party in each state.

Program Services

35. All documents relating to the Company's provision of any direct monetary grant or other financial assistance to any person, including all documents that:

- a. Reflect the amount of money provided to each person during the applicable time period;
- b. Discuss the qualifications or restrictions the Company places on providing monetary grants to law enforcement agencies, law enforcement officers, family members of law enforcement officers, or organization supporting the law enforcement community, and the circumstances under which any such person or entity has been denied assistance; and
- c. Relate to the manner in which the Company publicizes the availability of monetary assistance to law enforcement agencies, law enforcement officers, family members of law enforcement officers, or organization supporting the law enforcement community.

Note that to protect any sensitive health information responsive to this or other requests, the Company should only provide documents containing sensitive health information in an encrypted format as directed in Instruction IIN, above. The Company is encouraged to contact Jason C. Moon at (214)-979-9378 to discuss production of any documents that contain sensitive health information.

36. For each person to whom the Company provided goods or non-monetary benefits, all documents that show:

- a. The type, brand, and quantity of the goods provided, or describe the non-monetary benefits provided;
- b. How the Company determines need for any particular type of goods or non-monetary benefits that the Company procures;
- c. The date(s) on which the goods or non-monetary benefits were provided by the Company to the recipient, and all supporting documentation relating to the provision of the goods or non-monetary benefit;
- d. The value of the goods or non-monetary benefit, and all documents relating to the methods by which that value was calculated, both as program service revenues and as program service expenses and reported to the IRS, specifically including

- copies of any publications relied upon, appraisals, valuation reports, opinions, correspondence and memoranda supporting the claimed value;
- e. The cost to the Company of providing the goods or non-monetary benefits to the person;
 - f. The qualifications or restrictions the Company places on providing such goods or non-monetary benefits to any such person, and the circumstances under which any assistance has been denied;
 - g. The manner in which the Company publicizes the availability of such goods or non-monetary benefits to any persons, or otherwise identifies particular persons to which to provide assistance; and
 - h. How the Company decides what particular goods or non-monetary benefits to provide to any persons.

Educational, Outreach, or Support Services Materials

37. All documents that constitute educational, outreach, or support services materials acquired, produced, or distributed by the Company, including, but not limited to, brochures, pamphlets, flyers, curricula, websites, presentations, videos, journals, newsletters, decals, and all documents that show:

- a. The amounts spent by the Company producing, acquiring, and distributing the materials;
- b. The quantities of materials produced, acquired, or distributed;
- c. The supplier from which such material was acquired, if applicable;
- d. The method by which the Company values the material for reporting to the IRS;
- e. The method by which the Company determines the need for any particular type of educational or outreach material;
- f. Whether any owner, officer, director, or employee of the entity from which the Company acquired the material is related by blood, marriage, or personal relationship to any officer, director, or employee of the Company; and
- g. All discussions reflecting decisions to produce or not to produce, or acquire or not to acquire, such material.

This Request includes, but is not limited to, materials associated with: i) the Survivor Network; ii) the Police Chaplain Project; iii) funeral planning seminars; iv) survivor support services; v) development of department protocol for line-of-duty deaths; vi) Junior Police Academy; vii) "Proceed With Caution" public awareness campaign; viii) "Proceed With Caution" direct mailings; and ix) "Proceed With Caution" online resources.

Joint Cost Allocation

38. All documents relating to the allocation of the costs of joint activities to program services in the Company's audit and its reports to the IRS, specifically including communications by and between the Company and any fundraiser, fundraising consultant, accountant, or other third party.

39. All documents relating to the nature of the program service(s) provided by the Company as part of its fundraising and how that relates to the Company's mission, specifically including each fundraising document or part thereof that the Company asserts includes program-related services and the methods by which the Company values those program services in reports to the IRS.

Other Program Services

40. All documents relating to any donation by the Company to any nonprofit entity in the United States other than a law enforcement agency.

Affiliated Entities

41. All documents relating to the provision of direct or indirect support by the Company to any entity where any officer, director, or employee of the Company is related by blood, marriage, or personal relationship to any officer, director, or employee of the third party.

42. All documents relating to the Company's receipt of direct or indirect support from any entity where any officer, director, or employee of the Company is related by blood, marriage, or personal relationship to any officer, director, or employee of the third party.

Donor Lists

43. All documents relating to the following:
- a. Contracts with any list management company or other third party related to the donor list;
 - b. Communications by and between the Company and any entity that maintains a donor list on the Company's behalf, including fundraisers and list management or brokerage companies, relating to the use of the list by or on behalf of any third party;
 - c. Records relating to the use of the list by any related person;
 - d. Advertisements or other promotional documents describing the list, its characteristics, rates for use of the list, and any restrictions on its use; and
 - e. Revenues or expenses related to the management or rental of the list.

Telemarketing Practices

44. All documents relating to any studies, reports, or analyses relating to the Company's compliance with Section 310.(4)(b)(1)(ii) and (iii) of the Telemarketing Sales Rule, including any internal system alerts and any internal audits conducted on the effectiveness of compliance procedures and tools used by the Company.

45. All contracts or agreements between the Company and a telemarketing company related to the provision of telemarketing services.

46. Telephone connection records for outbound telephone calls sufficient to identify each outbound telemarketing call placed by or on behalf of the Company, including:
- a. The telephone number called;
 - b. The date and time of the call;
 - c. The name of the telemarketing campaign involved;
 - d. Whether the call was connected to a live representative; and
 - e. The duration of the telephone call.
47. All documents relating to:
- a. The establishment and implementation of written procedures to comply with Section 310.4(b)(1)(ii) and (iii) of the Telemarketing Sales Rule;
 - b. Training of Company personnel, or telemarketers contracted by the Company, in procedures established to comply with Sections 310.4(b)(1)(ii) and (iii) of the Telemarketing Sales Rule;
 - c. Maintaining and recording a list of the telephone numbers which the Company or its contracted telemarketers may not contact as the result of any person having requested not to be called by or on behalf of the Company;
 - d. Preventing calls to telephone numbers of any person who had requested not to be called by or on behalf of the Company; and
 - e. Monitoring and enforcement of the Company's written procedures established to comply with Sections 310.4(b)(1)(ii) and (iii) of the Telemarketing Sales Rule.
48. All documents constituting audio recordings of telephone calls to or from potential donors, including but not limited to, fundraising calls, complaint calls, quality assurance calls, and billing verification calls.
49. Documents sufficient to show the Company's policies and practices for recording fundraising calls, complaint calls, quality assurance calls, billing verification calls, or any other telephone calls to or from potential donors.

Third Party Contacts

50. All documents relating to any investigation, inquiry, action, arbitration, complaint, or other proceeding, regardless of date, from or on behalf of any governmental agency, state or federal, related to the Company's fundraising practices, telemarketing practices, purported not-for-profit or charitable status, or corporate governance.

For purposes of this Request, please provide the requested documents regardless of date and not limited to the applicable time period.

51. All documents relating to any communication to or from any charity watchdog, Better Business Bureau, or other private consumer protection entity involving the Company's fundraising practices, telemarketing practices, purported not-for-profit or charitable status, or corporate governance.

52. All documents relating to any complaint, inquiry, or other communication to or from a consumer regarding fundraising or telemarketing by or on behalf of the Company, specifically including:
- a. All paper or electronic mail or other communications received by the Company from any consumer;
 - b. Phone logs, messages, or other records reflecting the nature of any telephone call received by the Company from a consumer;
 - c. Any responses issued by the Company; and
 - d. All communications by and between the Company, or any of its employees, and any consumer on a website that allows consumer comments and business responses, such as Facebook, Charity Navigator, Twitter, Great Nonprofits, the Stopped Clock Blog, AOL Answers, and any other online venue where the Company has posted a comment or statement.
53. All documents relating to any press or other media report about the operations of the Company.