Form **1024** (Rev. September 1998) Department of the Treasury Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved, this application will be open for public inspection.

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 the organization.
Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.) Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- **a** ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- **b** ☐ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- **c** ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- **d** ☑ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- **e** ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- **f** ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- **g** ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- **h** ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- **i** ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- **j** ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- **k** ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- **l** ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- **m** ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- **n** ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)
United Professional Sales Association, Inc.

2 Employer identification number (EIN) (if none, see **Specific Instructions** on page 2)
35 : 2183083

1b c/o Name (if applicable)

3 Name and telephone number of person to be contacted if additional information is needed
Brian W Lambert
(703) 447-5865

1c Address (number and street)
1700 Pennsylvania Ave, NW

Room/Suite
STE 400

1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see **Specific Instructions** for Part I, page 2.
Washington, DC 20006

1e Web site address
www.upsa-intl.org

4 Month the annual accounting period ends
December

5 Date incorporated or formed
September 24, 2002

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ **Yes** ☑ **No**
If "Yes," attach an explanation.

7 Has the organization filed Federal income tax returns or exempt organization information returns? . . . . ☐ **Yes** ☑ **No**
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- **a** ☑ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach 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 that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this 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 ▶

(Signature)	Brian W. Lambert (Chairman) (Type or print name and title or authority of signer)	(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Part II. Activities and Operational Information (Must be completed by all applicants)

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.

For a more detailed description of activities, refer to Attachment Part II: Narrative.

Creating and managing the international standards for selling began in 2002. This advances our purpose by establishing the most credible sanctioning organization for professional sales people. This activity is conducted by the entire organization across the entire globe (along with the standards committee and the Board of Directors) . This activity requires 25% of available time and resources.

Providing certification testing and training for the UPSA designation began in 2003. The advances our purpose by providing a standard of entry for professional salespeople into the profession. This activity is conducted by a team of 5 people as well as the standards committee on the UPSA Board of Directors. This activity requires 25% of available time and resources.

Membership Support for UPSA members began in 2002 and requires 25% of available time and resources. This advances our purpose by providing support to professionals who choose to become members. This activity is conducted by the board of directors and chapter leaders across the globe. This activity advances the profession of sales by supporting a common language of professional selling standards as well as ensuring that salespeople receive the support they need through peer coaching and mentoring.

Local Chapter Meetings that support community building and salesperson performance began in 2002. This advances our purpose by providing a safe, collaborative environment for salespeople where they can be themselves and grow professionally. This activity is conducted by volunteer members in the respective city. The activity requires 2% of available time and resources (as most of the resource expenditure occurs at the local level by separately incorporated chapters.

UPSA Educational Events that help salespeople become better at what they do as well as training them on the UPSA standards and ethical code began in 2003. This advances our purpose by establishing a universal ethical code across the globe for salespeople, no matter what market they serve. This activity is conducted in major cities throughout the United States and abroad (currently in South Africa). The activity requires 13% of available time and resources.

Sales Research that help salespeople, sales managers, and professors become more grounded in sales theory and literature began in 2001. This advances our purposed by providing the latest professional dialogue from thought leaders and academics. This activity is conducted by a team of 5-10 board members and volunteers and is conducted in Washington DC. The activity requires 5% of available time.

Compliance Program that determines if sales programs and technology are compliant to the UPSA standards began in 2003. This activity advances our purpose by providing a "seal of approval" for sales trainers and coaches as well as technology providers. This seal of approval shows that these companies provide a relevant product or service that fits within the universal selling framework UPSA has established. This activity is conducted by a team of 3 people and is conducted in Washington DC. The activity requires 5% of available time.

2 List the organization's present and future sources of financial support, beginning with the largest source first.

Membership Dues, Certification Testing and Training, Licensing of UPSA Standard and Assessments for Compliance, Public and Online Events, Sponsorships and Advertising, Donations

Part II. Activities and Operational Information (continued)

3 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	**b** Annual compensation
Brian Lambert (Chairman)	0.00
Eric Kerkhoff (Vice Chairman)	0.00
Dave Porter, CPA (Secretary/Treasurer)	0.00
Andy Miller (Director)	0.00
Jonathan Sper (Director)	0.00
Robert Cantrell (Director)	0.00
Thomas Hippensteel (Director)	0.00
Brian Schneider (Director)	0.00

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

Not applicable.

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

Not applicable.

6 If the organization has capital stock issued and outstanding, state: **(1)** class or classes of the stock; **(2)** number and par value of the shares; **(3)** consideration for which they were issued; and **(4)** if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

Not applicable.

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

MEMBER (500 people). Any person who is interested in, or engaged in, the practice, teaching or other application of the Sales profession, including research of the Sales profession. Regular Members shall have voting rights and may hold any elected or appointed office in the Association. STUDENT MEMBER (2,300 people). Any person currently registered in a degree granting program at an accredited, or globally equivalent, college/university. Student Members shall not be entitled to exercise any voting rights, and shall not hold any elected office

8 Explain how your organization's assets will be distributed on dissolution.

All of the remaining assets and property of the corporation shall, after paying or making provision for the payment of all of the liabilities and obligations of the corporation and for necessary expenses thereof, be distributed to one or more organizations, as shall at the time qualify as an exempt organization or organizations under § 501(c) of the Internal Revenue Code, and whose purpose is to assist other Sales Professionals or Marketing Professionals. In no event shall any of such assets or property be distributed to any member, director, officer, or any private individual.

Part II. Activities and Operational Information (continued)

9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ **Yes** ☑ **No**

If "Yes," state the full details, including: **(1)** amounts or value; **(2)** source of funds or property distributed or to be distributed; and **(3)** basis of, and authority for, distribution or planned distribution.

10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☑ **Yes** ☐ **No**

If "Yes," state in detail the amount received and the character of the services performed or to be performed.

The association shall hold certification preparation courses and other sales training to support the advancement of skills of members in their quest to attain certification. The training will be delivered in-person and online by approved trainers. Each training course is $400.00 per seat.

11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☑ **Yes** ☐ **No**

If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

The association may retain the services of consultants or service providers who will help the organization conduct business or achieve the strategy and tactics of supporting members per the association bylaws and articles of incorporation.

12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ **Yes** ☑ **No**

If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ **Yes** ☑ **No**

If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

14 Does the organization now lease or does it plan to lease any property? ☑ **Yes** ☐ **No**

If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

In the future, the organization plans to lease commercial office space to house operations related to its purpose.

15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ **Yes** ☑ **No**

If "Yes," explain in detail and list the amounts spent or to be spent in each case.

16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☑ **Yes** ☐ **No**

If "Yes," attach a recent copy of each.

Part III. Financial Data (Must be completed by all applicants)

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

		(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			
	Revenue	From 1/1/06 To 12/31/06	(b) 2007	(c) 2008	(d) 2009	(e) Total
1	Gross dues and assessments of members	33,000	250,000	437,500	765,625	1,486,125
2	Gross contributions, gifts, etc.	5,940	19,800	34,650	60,638	121,028
3	Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	17,500	30,625	53,594	93,789	195,508
4	Gross amounts from unrelated business activities (attach schedule)					
5	Gain from sale of assets, excluding inventory items (attach schedule)					
6	Investment income (see page 3 of the instructions)					
7	Other revenue (attach schedule)					
8	Total revenue (add lines 1 through 7)	56,440	300,425	525,744	920,052	1,859,661
	Expenses					
9	Expenses attributable to activities related to the organization's exempt purposes	8,838	48,388	88,566	153,814	2,086,037
10	Expenses attributable to unrelated business activities					
11	Contributions, gifts, grants, and similar amounts paid (attach schedule)		3,100	5,552	9,644	6,000
12	Disbursements to or for the benefit of members (attach schedule)					
13	Compensation of officers, directors, and trustees (attach schedule)					
14	Other salaries and wages	30,000	76,152	133,266	231,443	320,000
15	Interest					
16	Occupancy		10,788	18,879	32,788	52,148
17	Depreciation and depletion					
18	Other expenses (attach schedule)					
19	Total expenses (add lines 9 through 18)	38,838	168,414	265,575	876,608	1,162,274
20	Excess of revenue over expenses (line 8 minus line 19)					

B. Balance Sheet (at the end of the period shown)

			Current Tax Year as of Feb 2006
	Assets		
1	Cash	1	500.00
2	Accounts receivable, net	2	
3	Inventories	3	
4	Bonds and notes receivable (attach schedule)	4	
5	Corporate stocks (attach schedule)	5	
6	Mortgage loans (attach schedule)	6	
7	Other investments (attach schedule)	7	
8	Depreciable and depletable assets (attach schedule)	8	
9	Land	9	
10	Other assets (attach schedule)	10	
11	**Total assets**	11	500.00
	Liabilities		
12	Accounts payable	12	400.00
13	Contributions, gifts, grants, etc., payable	13	
14	Mortgages and notes payable (attach schedule)	14	
15	Other liabilities (attach schedule)	15	
16	**Total liabilities**	16	400.00
	Fund Balances or Net Assets		
17	Total fund balances or net assets	17	100.00
18	**Total liabilities and fund balances or net assets** (add line 16 and line 17)	18	

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. ▶ ☐