

**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) Center for Mediation, Peace and Resolution of Conflict - International, Inc		2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions). 20 : 0902555
1b c/o Name (if applicable) Charles A. Pugh		3 Name and telephone number of person to be contacted if additional information is needed (770) 889-3793
1c Address (number and street) 5110 Jekyll Rd.	Room/Suite	
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Cumming, GA 30040, USA		4 Month the annual accounting period ends December
1e Web site address www.cemproc.org		5 Date incorporated or formed March 24, 2004
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation.		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(r) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8 Is the organization required to file Form 990 (or Form 990-EZ)? If "No," attach an explanation (see page 3 of the Specific Instructions).		<input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9 Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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

Charles A. Pugh
 (Signature)

Charles Pugh, President
 (Type or print name and title or authority of signer)

May 6, 2004
 (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.

-Educational

CEMPROC has and will continue to engage in training and educational activities for the purpose of improving and developing the conflict resolution capabilities of the recipients as well as to educate the general public on subjects useful to individuals and beneficial to the community. It has and will continue to admit students to its training and educational courses based on a policy of nondiscrimination. CEMPROC may sponsor educational activities such as public forums, lectures, broadcast programs, conferences, or the like. Training (without charge to participants) has already begun in Ecuador and in the United States; to date, all training has been conducted by Executive Director Jeff Pugh, but in the future, it may be conducted by other CEMPROC staff as well. Educational Activities do and will account for approximately 85% of the organization's activity.

-Scientific

Research has and will continue to be conducted with the purpose of investigating the sources and effects of conflict, the dynamics involved in conflict and its resolution, potential methods of resolving conflict in general as well as specific conflicts, effective methods of education, and case examples of relevant conflicts. This research will benefit the public through the advancement of general knowledge and understanding. Approximately 10% of CEMPROC's activities will be scientific in nature. CEMPROC is currently involved in a research project in poor and marginalized areas of Ecuador to gauge the sources of conflict, people's attitudes toward conflict and conflict resolution processes, and to assess the most common conflict resolution methods used in these areas. CEMPROC, led by Jeff Pugh, is carrying out this project in collaboration with a local university in Quito, Ecuador. Future research projects will be identified by the Board of Directors and the staff of CEMPROC, and the final decision approving particular projects for research will be made by the Board of Directors based on the criteria that the research project will be consistent with applicable law, will further the purposes of the organization, and that the results will be made available to the interested public. Sponsored research projects may be considered if they meet the Board's criteria outlined above. No sponsored research has been conducted by CEMPROC so far. The results of any research sponsored in full by CEMPROC will be made available to the interested public, and CEMPROC will retain control of any patents, copyrights, processes, or formulas resulting from such research.

-Literary

CEMPROC may print, publish, or distribute its own materials or distribute the materials of others if it serves to further the purposes for which CEMPROC was founded. Any of these materials may be sold or otherwise made available to the general public, although no published materials have been sold so far. The materials created and/or distributed by CEMPROC may include conflict resolution training manuals, curricula, guides, teaching materials, articles and books relating to conflict-related topics, including specific case studies, and any other printed materials that serve to support the educational purposes of the organization or to assist with the resolution of conflict as stated in CEMPROC's purposes. CEMPROC has not yet professionally published any materials, but may begin doing so within a year. Approximately 5% of CEMPROC's activities will be of a literary nature.

- 2 What are or will be the organization's sources of financial support? List in order of size.

-Individual contributions from the public and from corporations

-Grants (government, foundations, etc.)

-Receipts related to exempt function

-Unrelated business income

-Interest on savings account/investments

- 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.

So far, to supplement its earned income from the exercise of exempt functions, the organization has focused on grantwriting and appeals for individual donations. Solicitations for financial support have been made through the web site, distributed brochures and publicity materials, speaking engagements with groups, and an invitation to a fundraising dinner. All of these components of the fundraising plan will be intensified once the organization is granted tax-exempt status. See attachment for specific planned actions related to fundraising.

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.

- 1. Charles Pugh, Provisional President; 5110 Jekyll Rd. Cumming, GA 30040
- 2. Sam Bagwell, Provisional Treasurer; 113-B Mark Twain Circle Athens, GA 30605
- 3. Kathy Bryson, Provisional Secretary; SIFAT, International 2944 County Road 113 Lineville, AL 36266
- 4. Fausto Sarmiento, Board Member; 200 Barrow Hall, University of Georgia Athens, GA 30602
- 5. John Cromartie, Board Member; Cumming First United Methodist Church (CFUMC) 770 Canton Highway Cumming, GA 30040

b Annual compensation

\$0

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.
Yes. Charles Pugh is a family member of the organization's manager/founder, a disqualified person.

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.

For the past seven months, CEMPROC has functioned as a project under the nonprofit fiscal sponsorship of SIFAT, International, a 501(c)(3) organization based in Lineville, AL. In that sense, it is an outgrowth of SIFAT. After CEMPROC is approved for its own 501(c)(3) status, the formal institutional relationship with SIFAT will end.

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.

CEMPROC has applied to the following governmental entities for grants to sponsor particular projects:
-the National Science Foundation
-the Municipal Government of Ibarra in Ecuador
-the United Nations

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."

The organization is producing a basic training manual which may be used in the performance of its exempt function. This already exists and will be in complete form within a year. CEMPROC also owns a laptop computer.

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.

Charges are determined based on the expenses of the service provided, including materials used, remuneration of personnel needed, and expenses incurred in providing the service (transportation, space, etc.), and also include an organizational fee which is used to subsidize programs for beneficiaries who cannot pay. Cost to the beneficiary takes into account the beneficiary's ability to pay.

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.

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 a 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)(iv) |
| h <input 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 checked="" 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.
N/A

- 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:

- 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.**) (Submit

	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		✓	A
Is the organization, or any part of it, a school?		✓	B
Is the organization, or any part of it, a hospital or medical research organization?		✓	C
Is the organization a section 509(a)(3) supporting organization?		✓	D
Is the organization a private operating foundation?		✓	E
Is the organization, or any part of it, a home for the aged or handicapped?		✓	F
Is the organization, or any part of it, a child care organization?		✓	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		✓	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution?		✓	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 3/24/04 to 5/6/04	(b)	(c)	(d)	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants—see page 6 of the instructions)	\$10,114				
2 Membership fees received	0				
3 Gross investment income (see instructions for definition)	0				
4 Net income from organization's unrelated business activities not included on line 3	0				
5 Tax revenues levied for and either paid to or spent on behalf of the organization	0				
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)	0				
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)	0				
8 Total (add lines 1 through 7)	\$10,114				
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	0				
10 Total (add lines 8 and 9)	\$10,114				
11 Gain or loss from sale of capital assets (attach schedule)	0				
12 Unusual grants	0				
13 Total revenue (add lines 10 through 12)	\$10,114				
Expenses					
14 Fundraising expenses	\$470				
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	0				
16 Disbursements to or for benefit of members (attach schedule)	0				
17 Compensation of officers, directors, and trustees (attach schedule)	0				
18 Other salaries and wages	0				
19 Interest	0				
20 Occupancy (rent, utilities, etc.)	\$700				
21 Depreciation and depletion	0				
22 Other (attach schedule)	\$1516				
23 Total expenses (add lines 14 through 22)	\$2686				
24 Excess of revenue over expenses (line 13 minus line 23)	\$7428				

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date 2004 (May 6)
Assets		
1	Cash	\$7428
2	Accounts receivable, net	\$50
3	Inventories	\$100
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule)	
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	\$1177
9	Land	
10	Other assets (attach schedule)	
11	Total assets (add lines 1 through 10)	\$8755
Liabilities		
12	Accounts payable	
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule)	
16	Total liabilities (add lines 12 through 15)	0
Fund Balances or Net Assets		
17	Total fund balances or net assets	
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	0

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

Form **872-C**

Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

OMB No. 1545-0056

(Rev. September 1998)

Department of the Treasury
Internal Revenue Service

(See instructions on reverse side.)

To be used with
Form 1023. Submit
in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

Center for Mediation, Peace, and Resolution of Conflict - International, Inc.

(Exact legal name of organization as shown in organizing document)

5110 Jekyll Rd. Cumming, GA 30040

(Number, street, city or town, state, and ZIP code)

and the

District Director of
Internal Revenue, or
Assistant
Commissioner
(Employee Plans and
Exempt Organizations)

consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year **December 31, 2004**
(Month, day, and year)

Name of organization (as shown in organizing document)	Date
Center for Mediation, Peace, and Resolution of Conflict - International, Inc.	May 6, 2004
Officer or trustee having authority to sign	Type or print name and title
Signature ▶ <i>Charles A Pugh</i>	Charles Pugh, President
For IRS use only	
District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)	Date

By ▶

For Paperwork Reduction Act Notice, see page 7 of the Form 1023 Instructions.

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