



THE NEA FOUNDATION

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RECEIVED

JUN 06 1995

EP/EO DIVISION  
7116/7216

May 30, 1995

CERTIFIED-RETURN RECEIPT REQUESTED

Debra F. Johnson  
Determination Specialist  
Internal Revenue Service  
EP/EO GRP 16  
Echelon Building  
9430 Research Blvd., Suite 301  
Austin, TX 78759

Re: Charitable Society for Social Welfare, Inc.  
FEIN 48-1150353

Dear Ms. Johnson:

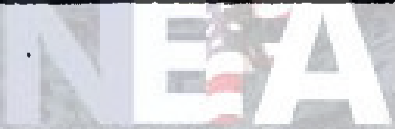
In response to your letter of May 17, 1995, after conferring with our clients, the following information is provided in the order specified in your letter:

1. The Texas corporation has essentially been dissolved. The actual mechanics of this dissolution took the form of a merger qualifying as a tax free reorganization under I.R.C. § 368(a)(1)(F), "a mere change in identify, form, or place of organization however effected", pursuant to which the Texas corporation was merged into the newly formed Kansas corporation of the same name.
2. The organization did not receive an exemption in the State of Texas as a 501(c)(3) organization. As previously indicated, the Texas corporation is no longer in existence.
3. In general, the distributions of funds raised by this charity will not go directly to individuals. Instead, the funds will be distributed to various clinics, orphanages, hospitals, refugee camps, and food banks established in the nation of Yemen to provide assistance for people who have been victimized by the civil wars in Yemen and Somalia. The Society will accept and review applications submitted by these entities and shall attempt to distribute funds as equitably as possible on the basis of priority of needs. A similar charitable

organization exists in the nation of Yemen, whose goals are the same. In many cases, application for benefits will be submitted through the organization in Yemen and contributed funds will be routed through this organization to the ultimate recipients. The role of the charitable organization in Yemen will be to act as an agent or facilitator for the distribution of benefits from the Society, and although funds are not distributed directly to individuals, the benefits obtained from contributions to the clinics, orphanages, hospitals, and refugee camps flow directly to the people housed in these various facilities.

4. The selection of who is to receive assistance is made by the Board of Directors of the Society with assistance from representatives of the charitable organization in Yemen as well as representatives of various boards of directors of Mosques throughout the United States. Because the charitable organization in Yemen is located in the country where the problems exist, it provides an ideal vehicle for assisting the local clinics, hospitals, etc., in completing the application forms and in making recommendations to the Society as to which facilities are in greatest need. Similarly, the boards of directors of the various Mosques whose members maintain close contacts with the nation of Yemen are able to assist in the application process and to make recommendations on the distribution of funds. The criteria used in the selection process is intended to provide funds on the basis of the priority of need, to address hardships faced by those persons living in refugee camps, etc.
5. The fund raising expenses as set forth on line 14, page 8 of the application consist of the following: A portion of these costs will relate to charges for printing, postage, and phone and fax. Additional charges will relate to travel expenses, including air fare and car fare, for volunteers who will travel to various Mosques around the country in order to make personal appearances to solicit funds. It is anticipated that travel expenses will be held to a minimum and that the volunteers will receive free lodging and food from members of the Mosques.

6. With respect to salaries and wages listed on line 18, page 8, there is currently only one individual receiving direct compensation. This person, who lives in New York City, started out as a volunteer, but because his duties became so extensive and included considerable travel to various East coast cities, he was required to quit his job. As a result, the Society felt obligated to provide some compensation. To date, he has been paid a total of \$1,000. His duties include scheduling various guest speakers at Mosques, providing administrative and clerical services when necessary, acting as a translator, and collecting the contributions and remitting them to the Society. In 1996 and 1997, it is anticipated that at least 2-3 additional persons will be hired either as employees or independent contractors to perform essentially the same job as mentioned above in various geographical locations around the country. Aside from these individuals, no member of the Society receives any compensation for services.
7. With respect to the depreciable assets as set forth on line 8, page 9, of the application, we are providing the invoice for the Pentium 66 Multi-Media System, which is the only asset owned or leased by the corporation.
8. To date, the organization's activities include administrative and organizational tasks and establishing ties with various Mosques around the country. Additional time was devoted to formalizing the legal existence of the corporation in Kansas and completing the merger of the Texas corporation into the Kansas corporation. In addition, the organization has conducted fund raising activities comprised almost exclusively of public appearances by volunteer speakers at various Mosques around the country soliciting contributions and explaining the need for such contributions to cover expenses of those persons victimized by the civil war in Yemen. A distribution to various organizations in Yemen is planned for the immediate future. At this point, applications of those facilities requesting assistance are being reviewed in order to determine which requests should be funded first.



THE NEFA FOUNDATION

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Please let us know if you have any other questions or if we may be of further assistance in any way. We are enclosing with this letter a copy of your letter dated May 17, 1995, and another copy of the Form 2848 Power of Attorney which our office submitted in connection with the original application. We request that you please route any further inquiries directly through our office.

Sincerely yours,

A handwritten signature in cursive script that reads "Ronald B. Rose".

Ronald B. Rose  
CURFMAN, HARRIS, ROSE, WELTZ,  
METZGER & SMITH, L.L.P.

RBR/ms  
Encs.

cc: Mohamed Al Hilali