

RECEIVED

JUL 26 1993

WAGNER & MASON

**THE FELLOWSHIP INTELLECTUAL
PROPERTY TRUST**

ARTICLE I

Section 1: Name of the Trust

The name of this trust shall be "The Fellowship Intellectual Property Trust."

Section 2: Creation of the Trust

The Trustor, the Fellowship of Narcotics Anonymous as given voice by its groups through their regional service representatives at the World Service Conference, does hereby reaffirm and restate its transfer, assignment, and conveyance of all NA recovery literature, trademarks, service marks, and all other intellectual property to the World Service Office, Inc., as Trustee, to hold and administer in accordance with this Trust document and its purpose.

Section 3: Nature of the Trust

The Trustee shall hold the Trust Properties as a perpetual charitable trust, subject to revocation by the Trustor, and shall use the properties and income derived therefrom exclusively for the charitable and educational purposes described in the statement of purpose below, and for the payment of the incidental expenses and costs of the administration of the Trust.

Section 4: Purpose of the Trust

The sole object and purpose of this Trust is to hold and administer all recovery literature and other intellectual properties of the Fellowship of Narcotics Anonymous in a manner that will help addicts find recovery from the disease of addiction and carry that message of recovery to the addict who still suffers, in keeping with the Twelve Steps and Twelve Traditions of NA.

Section 5: No bond required

The Trustor waives the requirement that the Trustee give a bond to secure performance of the Trustee's duties.

ARTICLE II: PARTIES TO THE TRUST

The Fellowship of Narcotics Anonymous, as given voice by its groups through their regional service representatives at the World Service Conference, is the Settlor and the Trustor. World Service Office, Inc. is the Trustee of the Trust. The Fellowship of Narcotics Anonymous as a whole is the Beneficiary of the Trust.

REGISTRY OF
CHARITABLE TRUSTS
JUL 29 93

ARTICLE III: IDENTITY OF TRUST PROPERTY

The Trust Property includes all recovery literature, trademarks, service marks, copyrights, and all other intellectual property of the Fellowship. From time to time, the Trustor may add to, modify, or delete property from the Trust. All additions made to the Fellowship's recovery literature, trademarks, service marks, copyrights and all other intellectual property by the World Service Office shall additionally be considered property subject to this Trust. However, note that NA service handbooks and other service materials approved by NA's World Service Conference are specifically excluded from the purview of this Trust.

Recovery literature should be taken to mean any Narcotics Anonymous book, booklet, or pamphlet intended primarily for use by individual NA members or for use or distribution within the context of an NA recovery meeting. *Service materials* should be taken to mean those materials intended primarily for use within the context of an NA service board or committee.

ARTICLE IV: OPERATIONAL RULES

The Trustor shall generate Trust Operational Rules which shall be controlling on the Trust and the parties thereto except if such Rules conflict with the terms of this Instrument.

ARTICLE V

Section 1: Trustee's duties

The Trustee has the following general duties with respect to administration of the Trust:

- 1) The Trustee has a duty to administer the Trust according to the Trust Instrument and, except to the extent that this document provides otherwise, according to the statutes of California.
- 2) The Trustee shall follow written direction given to it from time to time by the Trustor. However, if a written direction would have the effect of modifying the Trust, the Trustee has no duty to follow it unless it complies with the requirements for modifying the Trust herein.
- 3) The Trustee has a duty to administer the Trust solely in the interest of the Beneficiary and the Trustor.
- 4) The Trustee has a duty to deal impartially with the Beneficiary.
- 5) The Trustee has a duty not to use or deal with Trust Property for the Trustee's own profit or for any other purpose unconnected with the Trust, nor to take part in any transaction in which the Trustee has an interest adverse to the Beneficiary or the Trustor.
- 6) The Trustee has a duty to take, keep control of, and preserve the Trust Property.
- 7) The Trustee has a duty to make the Trust Property productive.
- 8) The Trustee has a duty to keep the Trust Property separate from other property not subject to the Trust, and to see that the Trust Property is clearly designated.

- 9) The Trustee has a duty to take reasonable steps to enforce claims that are part of the Trust Property.
- 10) The Trustee has a duty to take reasonable steps to defend actions that may result in a loss to the Trust, and to prosecute actions to protect the Trust Property.

Section 2: Delegation of duties

The Trustee shall not delegate to others the performance of acts that the Trustee itself can reasonably be required to perform, and may neither transfer the office of Trustee to another nor delegate the entire administration of the Trust to another entity. All other matters may be delegated, but where the Trustee has properly delegated a matter to an agent, employee, or other person, the Trustee has a duty to exercise reasonable supervision over the person or entity performing the delegated matter.

Section 3: Trustee's standard of care

The Trustee shall administer the Trust with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the Trust as determined from the Trust Instrument.

Section 4: Trustee's powers

The Trustee has the following powers: the powers conferred by the Trust Instrument; the powers conferred by statute, except as limited in the Trust Instrument; and the power to perform any act that a Trustee would perform for the purposes of the Trust under the Trustee's standard of care, except as limited in the Trust Instrument. The exercise of a power by the Trustee is subject to the Trustee's fiduciary duties to the Beneficiary and the Trustor. Under this document, the Trustee has the following powers:

- 1) The power to collect, hold, and retain Trust Property.
- 2) The power to receive additions of property to the Trust.
- 3) The power to participate in the operation of any business that is part of the Trust, and to change the legal form of the business.
- 4) The power to manage and control Trust Property, and to manage, control, and divide proceeds and assets generated from the manufacture or sale of products derived from Trust Property.
- 5) The power to encumber, mortgage, or pledge any portion of the Trust Property except those copyrights, trademarks, and service marks held by the Trust.
- 6) The power to enter into a lease for any purpose.
- 7) The power to insure the Trust Property against damage or loss and to insure the Trustee against third-party liability.
- 8) The power to prudently borrow money for any Trust purpose, to be repaid from proceeds from the sale of products generated from Trust Property.

- 9) The power to pay, contest, or settle claims against the Trust by compromise, arbitration, or otherwise, and the additional power to release in whole or in part any claim belonging to the Trust.
- 10) The power to pay taxes, assessments, reasonable compensation of the Trustee and of employees and agents of the Trust, and other expenses incurred in the collection, care, administration, and protection of the Trust.
- 11) The power to hire people, including accountants, attorneys, auditors, investment advisors, or other agents, even if they are associated or affiliated with the Trustee, to advise or assist the Trustee in the performance of administrative duties.
- 12) The power to execute and deliver all instruments which are needed to accomplish or facilitate the exercise of the powers vested in the Trustee.
- 13) The power to prosecute or defend actions, claims, or proceedings for the protection of the Trust Property and of the Trustee in the performance of the Trustee's duties.

Section 5: Limitation

The Trustee is not granted the power to make loans to the Beneficiary either out of Trust Property or out of proceeds from the sale of products generated from Trust Property, or to guarantee loans to the Beneficiary by encumbrances on either Trust Property or proceeds from the sale of products generated from Trust Property.

Section 6: Indemnification of Trustee

To the fullest extent permitted by law, the Trustor shall indemnify the Trustee and its directors, officers, employees, and other persons described in Section 523(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that code section, and including an action by or in the right of the Trustee, by reason of the fact that the person is or was a person described in that code section. Procedures for the approval of indemnity, advancement of expenses, and insurance shall be described in the Trustee's bylaws.

The Trustee and its directors, officers, employees, and other persons described in Section 523(a) of the California Corporations Code, including persons formerly occupying any such position, may not be relieved of liability for breach of Trust committed intentionally, with gross negligence, in bad faith, or with reckless indifference to the interests of the Beneficiary or the Trustor, or for any act wrongfully consented to by the Beneficiary or the Trustor.

Section 7: Nonpartisan activities by the Trustee

The Trustee shall be nonprofit and nonpartisan. No part of the activities of the Trustee shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the Trustee shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

ARTICLE VI: REVOCABILITY

This Trust is revocable by the Trustor.

ARTICLE VII: TERMINATION

This Trust will terminate when any of the following occurs:

- 1) The Trust purpose is fulfilled;
- 2) The Trust purpose becomes unlawful;
- 3) The Trust purpose becomes impossible to fulfill; or
- 4) The Trustor revokes the Trust.

On termination of the Trust, the Trustee continues to have the powers reasonably necessary under the circumstances to wind up the affairs of the Trust. On termination of the Trust, the Trust Property is to be disposed of as determined by the Trustor. If no such determination is made, the Trust Property shall be transferred to the Trustor.


ARTICLE VIII: JURISDICTION

The Superior Court of the State of California has exclusive jurisdiction of proceedings concerning the internal affairs of the Trust, and has concurrent jurisdiction over actions and proceedings to determine the existence of the Trust, actions and proceedings by or against creditors or debtors of the Trust, and actions and proceedings involving the Trustee and third persons, in accordance with California Probate Code Section 17000.

There is no right to a jury trial in proceedings under the California Probate Code concerning the internal affairs of the Trust.

ARTICLE IX: TRUST REGISTRATION

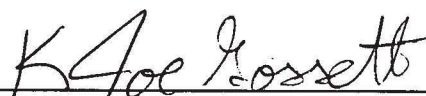
The Trustee shall register the Trust document with the California Attorney General, and shall perform all obligations attendant thereto.



Vivienne Long, RSR, San Diego-Imperial Region
Designated Signator for the Trustor

7/20/93

date



K. Joseph Gossett, Executive Director
World Service Office, Inc., Trustee

6-10-93

date



Mary Kay Berger, Chairperson, Board of Directors
World Service Office, Inc., Trustee

6-10-93

date