

OUR DRAFT

ACKNOWLEDGEMENT AND  
AGREEMENT TO ENTRY OF STIPULATED JUDGMENT  
AND PERMANENT INJUNCTION

This ACKNOWLEDGMENT AND AGREEMENT TO ENTRY OF STIPULATED JUDGMENT AND PERMANENT INJUNCTION is entered into as of this 7th day of October, 1990, at Van Nuys, CA by and between WORLD SERVICE OFFICE, INC., a California non profit corporation, with its principal place of business located at 16155 Wyandotte Street, Van Nuys CA 91406 (hereinafter "WSO") and DAVID MOOREHEAD, an individual, with his principal place of residence located at (hereinafter "MOOREHEAD")

WHEREAS, WSO claims legal ownership of the rights to the marks and copyrights set forth in Paragraph 1 hereof;

WHEREAS, MOOREHEAD acknowledges that he was the source of certain light blue copies of the Narcotics Anonymous Basic Text;

WHEREAS MOOREHEAD asserts that he believed and believes in good faith that he was entitled to reproduce the Narcotics Anonymous Basic Text and distribute same;

WHEREAS, WSO has demanded that MOOREHEAD immediately cease and desist in all reproduction and distribution of unauthorized copies the Narcotics Anonymous Basic Text;

WHEREAS, the parties believe that this dispute has been and is continuing to erode the unity of the fellowship of Narcotics Anonymous and unnecessary diverting the energies of the fellowship from fulfilling its primary purpose;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth below, the parties agree as follows:

1. AGREEMENT TO CEASE TRADEMARK INFRINGEMENTS. MOOREHEAD agrees that he will not hereafter directly or indirectly infringe WSO's trademarks, service marks or logos by the manufacture, sale, or distribution in any manner of any Items bearing any of the following marks (that are not authorized by the WSO) including but not limited to the following:

United States Service Mark and Trademark Registration No. 1,450,681, issued August 4, 1987:

United States Trademark and Service Mark Registration No. 1,467,774, issued February 16, 1988:

NARCOTICS ANONYMOUS

2. **AGREEMENT TO CEASE COPYRIGHT INFRINGEMENTS.** MOOREHEAD agrees that he will not hereafter directly or indirectly infringe WSO's copyrights by the manufacture, sale or distribution in any manner of any item including any portion of the properties protected by the following copyright registration:

United States Copyright Registration No. TX 2 112 598, issued June 15, 1987;

United States Copyright Registration No. TX 2 250 589, issued January 26, 1988;

United States Copyright Registration No. TX 2 334 402, issued January 26, 1988;

United States Copyright Registration No. TX 2 250 588 issued January 26, 1988;

United States Copyright Registration No. TX 2 254 607, issued February 17, 1988;

United States Copyright Registration No. TX 2 837 638, issued May 30, 1990.

MOOREHEAD further covenant and promises that he will not hereafter or in any manner directly or indirectly infringe any additional or future intellectual properties of WSO, nor will he directly or indirectly assist or otherwise encourage others to engage in infringement.

3. **AGREEMENT TO SURRENDER CURRENT STOCKS AND IDENTIFY SOURCES OF SUPPLY AND MANNER OF DISTRIBUTION** Concurrently with the execution of this document, MOOREHEAD shall surrender to the WSO all unauthorized copies of the Basic Text within his possession, except for one copy of each of his printings of the Basic Text. He shall further provide WSO with a true, correct and complete written listing under penalty of perjury reflecting the following information and on the form attached hereto as Exhibit A.

a. the total number of copies of the Basic Text produced and/or distributed by MOOREHEAD;

b. the dates such copies were produced;

c. the parties to whom the copies were distributed.

4. **AGREEMENT TO COMMUNICATE WITH THE FELLOWSHIP.** MOOREHEAD shall forthwith execute a letter addressed to the Fellowship advising the fellowship that he has ceased all distribution of his "little blue" version of the Basic Text; that he has agreed to submit the propriety of the publication of the "little blue" version of the Basic Text to the usual literature development process and abide by the decision made through that process. He shall also encourage all other members of the fellowship to cease their distribution or manufacturing of their own



versions of the Basic Text, and to surrender all copies thereof directly to the WSO.

5. FILING OF ACTION TO ENFORCE MANDATORY AND INJUNCTIVE RELIEF. The parties agree that WSO shall file an action in the United States District Court for the Eastern District of Pennsylvania for trademark and copyright infringement arising out of the facts set forth above. Immediately upon the filing of this action, the parties shall jointly sign and file a FINAL JUDGMENT PURSUANT TO STIPULATION and a PERMANENT INJUNCTION in forms set forth as Exhibits C and D hereto. WSO agrees to refrain from the seeking of any damages, costs or attorneys fees from MOOREHEAD in connection with that action and so long as MOOREHEAD stays in full compliance with the letters and the spirit of the Permanent Injunction.

6. ATTORNEYS FEES AND COSTS. In the event that any action is brought to enforce any portion of this agreement, then the prevailing party shall be entitled to recover its attorneys fees and costs as an additional element of damage.

I have read, understand and agree to the terms of this agreement.

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David Moorehead

WORLD SERVICE OFFICE, INC.

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Stu Tooredman, Acting Executive Director

Approved in form and content:

BOARD OF DIRECTORS OF  
WORLD SERVICE OFFICE, INC.

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Stu Tooredman, Chairperson

WORLD SERVICE BOARD OF TRUSTEES

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Jack Bernstein, Chairperson

WORLD SERVICE CONFERENCE

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Edward Duquette, Chairperson