

TRUST INSTRUMENT

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**INSTRUMENT:
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 Fellowship of Narcotics Anonymous, as Trustor, World Service Conference, World Service Board of Trustees, and WSO, Incorporated, to the extent of all their interest, claim, right and entitlement, do hereby affirm and state the transfer, assignment, and conveyance of all WSC conference-approved Narcotics Anonymous literature and other N.A. intellectual property, as identified in Article III to be held in trust by the World Service Conference, as Trustee, to administer the Trust Properties in accordance with this "Trust Document" and in furtherance of its purpose.

Section 3: Nature of the Trust

The Trustee shall maintain the Trust Properties as a perpetual trust, subject to revocation by the Trustor, and shall use the properties and income derived therefrom exclusively for the non-profit charitable and educational purposes described 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 maintain and administer all literature and intellectual properties of the Fellowship of Narcotics Anonymous in a manner that will help addicts find recovery from the disease of addiction and develop and carry that message of recovery to the addict who still suffers, all in keeping with the Twelve Steps and Twelve Traditions of NA, and not for profit, personal gain, or any other purpose.

Section 5: No bond required

The Trustor waives the requirement that the Trustee give a bond to secure performance of the Trustee's duties. However, upon any finding of financial impropriety, a bond from that date forward shall be required as necessary to secure the performance of the Trustee.

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ARTICLE II: PARTIES TO THE TRUST

The Fellowship of Narcotics Anonymous is the Settlor and the Trustor. The World Service Conference is the Trustee. World Service Office, Inc., referred to in this document as "Agent," is a service center utilized to carry out administration of the Trust, as outlined in this document. The addicts who still suffer, known or unknown, current member or future member of N.A., as a whole are the Beneficiary of the Trust.

ARTICLE III: IDENTITY OF TRUST PROPERTY

The Trust Property includes Trustee-approved literature, trademarks, service marks, copyrights, and all other intellectual property of the Fellowship, WSC, WSB, and WSO, Inc. From time to time, the Trustor may add to, modify, or delete property from the Trust. All additions made to literature, trademarks, service marks, copyrights, and all other intellectual property developed by the Trustee, [TRUSTOR, OR WSO, INC., SHALL BE TRUSTEE APPROVED AND UPON TRUSTOR APPROVAL], shall also be considered property subject to this Trust. Trust properties shall not include literature or other intellectual properties developed by N.A. groups, ad hoc committees, or area or regional service committees, unless specific permission and release are given to the Trustee.

ARTICLE IV: OPERATIONAL RULES

The Fellowship of Narcotics Anonymous [THROUGH] the World Service Conference shall generate Trust Operational Rules, which shall be implemented after Trustor approval. Trust Operational Rules shall be developed under the traditional N.A. service structure, allowing ample input and review, and Trustor approval.

ARTICLE V**Section 1: Trustee's duties**

Subject to Trustor direction, 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 applicable federal and state statutes.
- 2) The Trustee shall follow direction given to it by the Trustor. If the direction would have the effect of modifying the Trust, the Trustor shall also be responsible to modify the Trust to enable the amendment.
- 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, individually and collectively.
- 5) The Trustee and its main service center, WSO, Inc., has a duty not to use or deal with Trust Property for any other purpose unconnected with the Trust, nor to take part in any transaction in which the WSO, Inc. has an interest adverse to the Beneficiary or the Trustor.

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- 6) The Trustee has a duty to preserve the Trust Property, as directed by the Trustor.
- 7) The Trustee has a duty to keep the Trust Property separate from other property that may be available from the WSO, Inc., and to see that the Trust Property is clearly designated.
- 8) The Trustee may take reasonable steps to enforce claims that are part of the Trust Property.
- 9) The Trustee may take reasonable steps to defend actions that may result in harm to the Trust Property, and to prosecute actions to protect the Trust Property from infringement by outside parties.

Section 2: Delegation of duties

Except for the day to day activities of the WSO, Inc., 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 administration of the Trust to another entity. 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 in accordance with the 12 Traditions of Narcotics Anonymous, and 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 and responsibilities

The Trustee has the following powers: the powers conferred by the Trustor in this Trust Document; the powers conferred by statute, except as limited in the Trust Instrument; and the power to perform acts 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 all obligations established by the Trustor; is at all times directly responsible to the Beneficiary, in accordance with the Twelve Traditions, and fiduciary obligations.

Under this document, the Trustee has the following Trust obligations:

- 1) The responsibility to hold Trust Property.
- 2) The responsibility to receive additions of property to the Trust from the Trustor.
- 3) The responsibility to participate in the operation of the Trust.
- 4) The responsibility to manage Trust Property under direction from the Trustor, and manage proceeds generated from the sale of Trust Property as directed by the Trustor.
- 5) The responsibility to insure the Trust Property against damage, loss, or third-party liability.
- 6) The responsibility, when necessary, to pay, contest, or settle claims against the Trust by compromise, arbitration or otherwise, as specifically directed by the Trustor.

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- 7) The responsibility, when necessary, to release in whole or in part any claim belonging to the Trust, as specifically directed by the Trustor.
- 8) The responsibility to authorize the Agent to pay taxes, assessments, reasonable compensation of the Agent and its employees, and other expenses incurred in the administration, care, and protection of the Trust.
- 9) The responsibility to authorize the Agent to hire people, including accountants, attorneys, auditors, investment advisors, or other agents, provided they are not associated or affiliated with the Trustee, to advise or assist the Trustee in the performance of administrative duties, excluding the right to author original literature.
- 10) The responsibility to authorize the Agent to execute and deliver all instruments which are needed to accomplish or facilitate the exercise of the powers vested in the Trustee.
- 11) The responsibility, when directed to do so, to prosecute or defend against outside parties actions, claims, or proceedings for the protection of the Trust Property and of the Trustee in the performance of the Trustee's duties at the specific direction of the Trustor.

Section 5: Indemnification of Trustee and Agent

To the fullest extent permitted by law, the Agent shall indemnify the Trustee and the Agent's 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 World Service Office, Inc., its directors, officers, employees, and other persons described in Section 523(a) of the California Corporations Code, including persons formerly occupying such position, may not be relieved of liability for breach of Trust committee intentionally, with gross negligence, in bad faith, or with reckless indifference to the interests of the Beneficiary and/or the Trustor, or for any illegal act wrongfully or unknowingly consented to by the Trustor.

Section 6: Nonpartisan activities by the Trustee

The Agent 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, the Fellowship of Narcotics Anonymous as described in Article V of the Operational Rules.

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ARTICLE VII: TERMINATION

This trust will terminate when any of the following occurs:

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

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

ARTICLE VIII: JURISDICTION

The jurisdiction of proceedings concerning the internal affairs of the Trust rests with the local statutes of its registration.

ARTICLE IX: TRUST REGISTRATION

The Trustee shall register the Trust document with the appropriate state and federal offices, and shall perform all obligations attendant thereto.

TRUSTEE:

TRUSTOR:***

Chairperson, WSC

***As many signatures as are required to permit each registered region to approve the Trust Instrument (i.e., RSR acts with "power of attorney" for all groups in their region (through the service structure)) for document purposes.

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**OPERATIONAL RULES:
THE FELLOWSHIP INTELLECTUAL
PROPERTY TRUST****ARTICLE I:
BACKGROUND, PURPOSE, AND PARTIES OF
THE TRUST****SECTION 1: BACKGROUND OF THE TRUST**

Early in Narcotics Anonymous history, little was thought about the generation, use, or need for an Intellectual Property Trust document. Literature was written by addicts who gathered together to write, filling the void of material that concerned itself with recovery from the disease of addiction. The "little white book," informational pamphlets, Basic Text, newsletters, etc., were developed, written, edited, printed, and copied by members and groups of members. In the spirit of anonymity, no one person or group of persons was given credit as author. Early copyright registration was done under "C.A.R.E.N.A.," a pseudonymous (fictional) publishing agent. Many N.A. groups distributed these materials regularly, and often copied as many as possible to give to their members.

In 1971, at the 1st World Convention of Narcotics Anonymous, held November 5, 1971, in La Mirada, California, USA, the Fellowship members voted to establish the World Service Office. The WSO, Inc. was designed to serve as a central Fellowship contact point, an N.A. information clearinghouse, and publishing agency (business office or division with specific functions directed to it by the Fellowship). Since that time, the WSO, Inc. has been publisher of N.A. literature, holding the Fellowship's intellectual property as a fiduciary body (designee who holds something in trust for another; valuable only because of public confidence and support).

The WSO's function as publisher was first described in "The N.A. Tree" (1975): "Another major function of WSO, Inc. is the compilation, preparation, publication and distribution of literature...WSO is also responsible for the printing, warehousing, and distribution of all literature...", and is now described in the most recent edition of "A Temporary Working Guide to our Service Structure," as follows: "[A] major function of WSO is the publication and distribution of literature...WSO is also responsible for the printing, warehousing, and distribution of all existing literature."

During the years between 1978 and 1982, Narcotics Anonymous began the process of self-definition and maturity that would allow our Fellowship to become a significant worldwide force for recovery from addiction. A relatively small group of people, ordinary recovering addicts, developed one of our fellowship's first significant item of property - our Basic Text, the book entitled "Narcotics Anonymous." These N.A. members [WROTE ANONYMOUSLY AND COORDINATED THEIR EFFORTS THROUGH THE LITERATURE

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SUBCOMMITTEE OF] the WSC. The four major writing/editing literature conferences were located both centrally and at geographical extremes across the United States so that the maximum number of N.A. members could attend and participate.

Every N.A. member was encouraged to help write our book and was the opportunity to do so. The [AUTHORS] eventually numbered in the hundreds of active participating members. Each had a role and a voice in the content of our Basic Text. During this time, these members and the Fellowship of which they were representative, developed a trust bond with the service structure; that the results of their work would be used in the same spirit and manner in which it was developed. This is the basis and foundation of the Literature Trust Document.

Until the early 1980's, the sale of literature generated very little money. One of the questions that was asked from members upon hearing of efforts to produce our Basic Text was, "What's going to happen to the money?" The understanding was that the Basic Text would be made and sold as inexpensively as possible, not with the hope of making great profits, and that the original price of the book would be lowered at a later date (this never happened).

In 1982, the WSO registered the copyright to the Basic Text, such specific trust to be administered in accordance with the direction of the WSC as given at its annual meeting of May 5-9, 1982. In 1988, the WSC approved guidelines for the WSC Literature Committee which read, in part: "After the World Literature Committee has completed its work on a piece of literature, it is turned over to the World Service Office for production and distribution. Production involves copyright registration...Literature is then sold through WSO."

SECTION 2: PURPOSE OF THESE RULES

These rules describe the way the Fellowship Intellectual Property Trust is to be administered. They describe the intellectual properties held by the Trust, the parties to the Trust, the rights and responsibilities of each of those parties, and the relationship between them. They also describe specific means by which the rights and responsibilities of the Trustee can be revoked and reassigned, and the procedure to be used in altering specific provisions of the Trust Instrument itself.

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SECTION 3: PARTIES OF THE TRUST**Trustor: The Fellowship of Narcotics Anonymous**

[THE TRUSTOR IS IDENTIFIED AS ALL N.A. GROUPS WHO ARE REGISTERED AS SUCH WITH THE WSO, INC.,]. The Trustor, as owner of all Intellectual properties including copyrights, trademarks, service marks, and other literature composing the Trust Property, is responsible for giving informed direction to the Trustee in carrying out its duties. The Trustor is also responsible for ensuring that instructions are carried out in accordance with the 12 Traditions of Narcotics Anonymous. The Trustor's specific rights and responsibilities are detailed in Article V of these rules.

Trustee: The World Service Conference

The World Service Conference of Narcotics Anonymous brings regional service representatives of the N.A. Fellowship together to consider matters affecting N.A. as a whole and to direct N.A.'s world services. As such, it is the Trustee of the Fellowship Intellectual Property Trust, and is responsible for obtaining approval from the Trustor of new and/or revised N.A. literature, trademarks, service marks, and other Intellectual properties. The Trustee's specific rights and responsibilities are detailed in Article III of these rules.

The Trustee is responsible for overseeing operation of the World Service Office, Inc., (Agent), including proper registration of copyrights, trademarks, service marks, and other intellectual properties composing the Trust Property. The Trustee is responsible to hold and use those Intellectual properties in the manner directed by, and in service to, the Trustor, the Fellowship of Narcotics Anonymous.

Beneficiary: The still-suffering addict(s)

Service in Narcotics Anonymous must always be for and to the addict who still suffers, known or unknown, current member or future member, who, by right of the disease of addiction, are entitled to all of the benefits of our service.

Service bodies:**World Service Board of Trustees:**

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