

**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.

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 and 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.

- 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**.

- 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.**

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.

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

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:**

**ARTICLE II:
INTELLECTUAL PROPERTIES HELD IN TRUST****SECTION 1: TWELVE STEPS, TWELVE TRADITIONS**

By license agreement with Alcoholics Anonymous World Services, Inc., the Trust holds all rights to the Twelve Steps and Twelve Traditions as adapted for use by the Fellowship of Narcotics Anonymous, listed in Schedule A of these rules.

SECTION 2: OTHER LITERATURE

By assignment from the Trustor, the Trust holds all other literature approved directly by the Trustor and/or predecessors of the Trustor. Use of these properties is detailed in the Use Policy.

SECTION 3: TRADEMARKS, SERVICE MARKS

Trademarks and service marks held by the Trust include, but are not necessarily limited to, the name "Narcotics Anonymous," the stylized N.A. initials in a double circle, and the four-sided diamond enclosed in a circle. Use of these properties is detailed in Section ?, Article? of the Use Policy in this document.

SECTION 4: COPYRIGHTS

The Trust holds the copyrights for all books, booklets, pamphlets, workbooks, audio and/or video recordings, and service guides, both in original and in translation, that have been approved by the World Service Conference or its predecessors, **or are a "work in progress" by the WSCLC.** The Trust holds title to the copyrights for all volumes and numbers, both in original and in translation, of "The N.A. Way Magazine," a periodical publication created and directed by the World Service Conference. **The Trust holds legal title to the copyrights for all literary works in progress, developed by the World Service Conference, its boards, and its committees.**

**SECTION 5: NATURE OF OWNERSHIP OF
THE TRUST'S COPYRIGHTED LITERATURE**

The creation of all new or revised recovery literature for the benefit of the addict who still suffers is a tangible form of fulfilling the primary purpose of N.A. As such, its development, creation, revision, and approval shall be at the discretion and responsibility of the Trustor. The Trustee shall encourage full participation by the Fellowship to become involved in the process of literature development. Members or groups of members who take part in the creation of those properties do so **as giftors** in service to the Beneficiary of the Trust. No individual participant in any project designed to create or revise Trust literature will retain any claim of copyright with respect to their contributions thereto.

SECTION 5: AGENT DUTIES AND POWER

With **approval** from the Trustee, the Agent may make the following decisions relative to administration of the Trust:

1. The Agent has discretion as to the manufacturing format of products generated from Trust Properties, including appearance, design, typeface, paper grade, binding, cover, ink, or other material.
2. The Agent manages business affairs related to the perpetuation of the Trust, including contracts, leases, licenses, covenants, manufacturing specifications, production quantities, and distribution, in adherence with Article ?, Section ? of the Use Policy in this document.

SECTION 6: DISBURSEMENT OF TRUST REVENUE

Except for the day to day activities of the WSO, Inc., the Trustee shall manage the income produced by sale of Trust Properties in such a manner as to further the purpose described in Article 1, Section 4, of the Trust Instrument.

SECTION 7: FUNCTION OF THE AGENT

From the revenues accruing from licenses, covenants, or sale of products generated from Trust Properties, the Agent shall provide services as directed by the Trustor, including but not limited to the following services:

1. The Agent shall continue to provide administrative, technical, and/or logistical services to the Fellowship of Narcotics Anonymous in whatever capacities the Trustor may desire or direct.
2. The Agent shall provide service to individual members and groups of members seeking recovery from addiction, and shall assist the general public in understanding addiction and the Narcotics Anonymous program for recovery from addiction. Such assistance shall be determined by the Trustor.
3. The Agent shall publish and distribute periodicals written or prepared by and/or for the Fellowship of Narcotics Anonymous as directed by the Trustor.
4. The Agent shall not utilize revenues generated from Trust Properties to engage in any activities or exercise any powers that are not in furtherance of the purposes described above.
5. The Agent shall continue to operate under guidance from its corporate by-laws and the 12 Traditions of Narcotics Anonymous.

SECTION 8: PROTECTION OF TRUST PROPERTIES

The Trustee shall have a duty and authority to protect the Trust Properties from infringement by outside parties. The Trustee will utilize the following process to proceed with protection of the Trust Properties.

1. Before legal proceedings are initiated, the Agent will request that all infringing parties cease and desist their alleged infringement.
2. The Trustee will seek to resolve the infringement prior to filing formal litigation.
3. At least three-quarters of the directors of the Agent, and three-quarters of the World Service Board of Trustees, and three-quarters of the Literature Trust Board must approve a proposal to file suit.
4. Prior to filing, the Agent will report to the Trustee its intent to file infringement suit.
5. Once filed, settlement of infringement litigation shall be at the discretion of the Agent, the World Service Board of Trustees, and the Literature Trust Board.

Auditing

Each year, the Agent shall contract with a certified public accountant who will conduct a review of the Trust's fiscal activity, provided the CPA has no connection in any manner with the N.A. Fellowship. Commencing from the implementation of this Trust, and henceforth every three years, the Agent will contract with a certified public accountant who will conduct a certified process audit to evaluate the internal policies and procedures used by the Agent, their effectiveness, and the Agent's adherence thereto. The results of these audits shall be published to the Trustee 90 days before its annual meeting, in addition to being available (for the cost of reproducing and mailing) to any individual member who requests it.

Reporting

Each year, the Agent shall give a full written report of its activities to the Trustee. This report shall be delivered to all voting participants of the World Service Conference at or before its annual meeting, and shall be available at cost or less to any N.A. member. This report shall include:

1. A review audit of the Trust for the previous year. Additionally, every three years it shall include a process audit of the Trustee's fiscal management procedures.
2. A description of all Agent's activities and project-descriptions funded from proceeds generated by the Trust in the previous year.
3. A budget, priorities, and project-description for Agent activities planned for the coming year.

**ARTICLE IV:
RIGHTS AND RESPONSIBILITIES
OF THE TRUSTOR**

SECTION 1: USE OF TRUST PROPERTIES

The Fellowship of Narcotics Anonymous, Trustor of the Fellowship Intellectual Property Trust, is the body which is responsible for decisions made that affects the N.A. Fellowship as a whole. As such, the Trustor has sole authority to approve any revision of the N.A. Fellowship's adaptation of the Twelve Steps and Twelve Traditions. The Trustor has sole authority to **develop**, direct and approve the creation and revision of books, booklets, informational pamphlets, service guides, periodicals, etc., for the N.A. Fellowship. The Trustor has sole authority to create or revise trademarks and service marks for the N.A. Fellowship.

Reproductions of all Trust Properties, including N.A.'s adapted Twelve Steps and Twelve Traditions, WSC-approved literature, trademarks and service marks are available for the use of the Fellowship of Narcotics Anonymous. See Article ?, Section ? of the Use Policy of this document for explanation of legal right to produce or reproduce any Trust Properties.

SECTION 2: TRUSTOR IMPACT ON THE TRUST

The Trustor takes great part in decisions affecting the Trust, as described in Section ?, Article ? in the Use Policy of this Document.

SECTION 3: INSPECTION OF TRUSTEE ACTIVITIES

Conditions of inspection

Bi-yearly in the month of March, two regional service committees shall be selected at random to inspect the records and operations of the Trust on behalf of the Trustor. Each regional service committee shall choose its own trusted servant to conduct the inspection. The cost shall be reimbursed from revenue generated from Trust Property sales. The regional servants shall mutually select two members of the World Service Board of Trustees for inclusion on the inspection team. These two members shall facilitate and enable full disclosure in the inspection. The Agent shall designate an employee or other person to facilitate the inspection. The inspection team may examine any or all aspects of the Trustee's or Agent's operations, including all records.

Report of inspection

1. The representatives from the two regional service committees will develop a report of the team's inspection. This report will include full documentation of the inspection team's findings.
2. The final report will then be published in the next "Conference Report."

**ARTICLE V:
REVOCATION AND REASSIGNMENT OF THE
AGENT'S RIGHTS AND RESPONSIBILITIES**

SECTION 1: CONSIDERATION OF REVOCATION

The **Trustee and or** Agent's rights and responsibilities may be revoked and reassigned to another party(ies) by the Trustor, providing the following conditions are met:

1. A written petition to revoke the rights and responsibilities of the **Trustee or** Agent must be submitted to the WSC Administrative Committee. To be considered, the petition must meet one of the following two sets of conditions:

Either the petition must be signed by one-third of the regional service committees recognized as voting participants in the most recent annual meeting of the World Service Conference.

Or the petition must be signed by the World Service Board of Trustees. The motion to submit the petition must have been approved by no less than two-thirds of the members of the World Service Board of Trustees.

2. In order to be considered at any given annual meeting of the World Service Conference, such a petition must be received before December 31 of the previous year, allowing time for the petition to be distributed to the N.A. Fellowship.
3. If the above criteria are met, the petition will be placed on the agenda of the next annual meeting of the World Service Conference. Statements of the petitioners will be published with the petition itself in the *Conference Agenda Report*.

SECTION 2: REVOCATION PROCESS

1. A simple majority of the regional service representatives voting at the World Service Conference must approve before proceeding with the revocation process.
2. An ad hoc committee will be appointed by the chairperson of the Conference. The committee will consist of the following:
 - A. Four regional service representatives
 - B. The chairperson of the Board of Directors of the Agent
 - C. One member of the WSC Administrative Committee
 - D. Two members of the World Service Board of Trustees, one of whom will chair the committee.
3. This committee will host at least two open forums during the upcoming year to solicit and receive Fellowship input, and will provide accounts of those forums in the *Conference Report*.
4. In addition to those forums, the committee will meet at least twice, with conference calls as necessary, and will provide timely accounts of its progress to the Fellowship.