

INITIAL DRAFT
Not yet reviewed by GBE

AGREEMENT REGARDING INTELLECTUAL PROPERTIES

This AGREEMENT REGARDING INTELLECTUAL PROPERTIES is entered into as of this _____ day of _____, 1990, at Van Nuys, CA, by and between WORLD SERVICE OFFICE, INC., a California not for profit corporation that acts as Service Office of the Fellowship of Narcotics Anonymous, with its principal office located at 16155 Wyandotte Street, Van Nuys CA 91406 (hereinafter "WSO"), the WORLD SERVICE CONFERENCE, an _____ (hereinafter "WSC"), DAVID MOOREHEAD, residing at _____

_____, LOU POPHAM residing at _____

RECITALS

WHEREAS, WSO is the legal owner of the rights to the marks and copyrights set forth in Paragraph 1 herein, which it holds in charitable trust for the benefit of the Fellowship of Narcotics Anonymous, as directed to be used by the World Service Conference of the Fellowship of Narcotics Anonymous ("WSC"), which legal rights are hereby specifically acknowledged by MOOREHEAD, POPHAM and ALLEN to be valid and subsisting;

WHEREAS, MOOREHEAD, POPHAM and ALLEN acknowledge that they are the ultimate source of certain light blue covered copies of the



Third Edition of the Narcotics Anonymous Basic Text, in an edited form ("Copies") which are now in circulation:

WHEREAS, MOOREHEAD, POPHAM and ALLEN assert that they have at least an equitable right to produce and distribute the Copies and that they have certain philosophical and other differences with the Fellowship of Narcotics Anonymous generally, and the WSC and WSO specifically, which equitable right is not recognized by WSO and

WHEREAS, after due consideration, the parties hereto all acknowledge that they wish to resolve their differences without drawing the Fellowship of Narcotics Anonymous into a legal dispute, harming the work and goals of the Fellowship, confusing the message of Narcotics Anonymous and thereby avoid the expense and burden of contested federal court litigation;

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

1. AGREEMENT TO CEASE AND DESIST PRODUCTION AND DISTRIBUTION.

MOOREHEAD, POPHAM and ALLEN agree that they will not hereafter directly or indirectly cause to be manufactured, sold or distributed in any manner any copies of the Narcotics Anonymous Basic Text, or any portion or edition thereof, and any copies of other literature distributed by the World Service Office, or any



Third Edition of the Narcotics Anonymous Basic Text, in an edited form ("Copies") which are now in circulation;

WHEREAS, MOOREHEAD, POPHAM and ALLEN assert that they have at least an equitable right to produce and distribute the Copies and that they have certain philosophical and other differences with the Fellowship of Narcotics Anonymous generally, and the WSC and WSO specifically, which equitable right is not recognized by WSO and WSC;

WHEREAS, after due consideration, the parties hereto all acknowledge that they wish to resolve their differences without drawing the Fellowship of Narcotics Anonymous into a legal dispute, harming the work and goals of the Fellowship, confusing the message of Narcotics Anonymous and thereby avoid the expense and burden of contested federal court litigation;

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covenants set forth below, the parties agree as follows:



other items duplicate any of the following intellectual properties:

Trademark and Service Mark NARCOTICS ANONYMOUS

United States Copyright Registration No. TX 2 112 598,

Issued June 15, 1987, for NARCOTICS ANONYMOUS (1st Ed.)

United States Copyright Registration No. TX 2 250 589,

Issued Jan. 26, 1988, for NARCOTICS ANONYMOUS (2nd Ed.)

United States Copyright Registration No. TX 2 334 402,

Issued Jan. 26, 1988, for NARCOTICS ANONYMOUS (3rd Ed.)

United States Copyright Registration No. TX 2 250 588,

Issued Jan. 26, 1988, for NARCOTICS ANONYMOUS (3rd Ed.

Rev.)

United States Copyright Registration No. TX 2 254 607,

Issued Feb. 17, 1988, for NARCOTICS ANONYMOUS (4th Ed.)

United States Copyright Registration No. TX 2 837 638,

Issued May 30, 1990, for NARCOTICS ANONYMOUS (5th Ed.)

MOOREHEAD, POPHAM and ALLEN further covenant and promise that they will not hereafter or in any manner directly or indirectly infringe any other, additional or future intellectual property rights of WSO, including but not limited to trademark, copyright, trade name, service mark, trade dress, or other rights.

2. AGREEMENT TO . WSO hereby agrees
that it shall:



_____. WSC hereby agrees that it shall: _____

3. AGREEMENT TO RENDER FULL ACCOUNTING. MOOREHEAD, POPHAM and ALLEN agree that no later than _____, at Van Nuys, California, they will provide to WSO a complete accounting reflecting all income and expenses relating to the manufacture, sale and production of the "Copies" including photocopies of all printing or other duplication charge invoices. Therewith, MOOREHEAD, POPHAM and ALLEN will forward all funds received from the sale or distribution of the Copies to the WSO, which WSO will place into a Special Trust Account. Such funds will be used, with the prior written approval of MOOREHEAD, POPHAM and ALLEN, to acquire Narcotics Anonymous literature from WSO at WSO cost and to then provide such literature to needy groups or persons that would not otherwise be able to obtain literature. Further, MOOREHEAD, POPHAM and ALLEN shall immediately cause all remaining Copies, as well as any other duplications of NA literature that they may have caused, directly or indirectly, to be printed to be immediately forwarded to WSO in Van Nuys, to be disposed of or distributed as



determined by the WSC at its next annual meeting.

4. GENERAL RELEASE. For good and adequate consideration, receipt of which is hereby acknowledged, all parties hereto, on behalf of themselves, their officers, directors, agents, attorneys, heirs, executors, agents, and assigns, as the case may be, fully release and discharge all other parties hereto, and their officers, directors, agents, attorneys, heirs, executors, agents, and assigns, as the case may be, from all rights, claims, and actions which they may have against each other. This Release, notwithstanding Section 1542 of the California Civil Code¹, releases all injuries and damages, real or personal, whether known or unknown, foreseen or unforeseen, patent or latent. The undersigned understand and acknowledge the significance of this specific waiver of Section 1542. This Release is freely and voluntarily entered into and executed by the parties hereto after seeking advise of counsel.

5. ATTORNEYS FEES. Should any action be brought to enforce any of the terms and conditions of this Release, the prevailing party shall be entitled to recover, as an additional element of cost, its reasonable attorneys fees and costs.

¹ Section 1542 of the California Civil Code provides as follows: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him would have materially affected his settlement with the debtor."



I HAVE READ, UNDERSTAND AND, HAVING CONSULTED WITH COUNSEL, AGREE TO THE TERMS OF THIS AGREEMENT, CONTAINING SIX PAGES INCLUDING THIS SIGNATURE PAGE.

David Moorehead

John Popham

Billy Allen

WORLD SERVICE CONFERENCE, INC.

A California Corporation

World Conference Office to the

Fellowship of Narcotics Anonymous

WORLD SERVICE OFFICE, INC.

A California corporation

World Service Office to the

Fellowship of Narcotics Anonymous

Stan Tooredman, Act. Exec. Director

APPROVED AS TO FORM AND CONTENT:

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Popham and Allen

WAGNER & MIDDLEBROOK

Theresa Wagner Middlebrook

Counsel to WSC and WSO

twmf:wpdata

wsu/moorehea/draft.egm

