

READER'S NOTES**INTRODUCTION**

Who says NA literature is *NA* literature? Who “owns” NA’s literature and logos? Who may print and distribute our White Booklet, our Basic Text, our Daily Book, our IPs? What is done with the money paid for NA literature? How is that money accounted for? And what can we do if it’s used improperly? The answers to these questions form the substance of the Fellowship Intellectual Property Trust.

The purpose of the Fellowship Intellectual Property Trust is to lay out the collective decisions the Narcotics Anonymous Fellowship has made over the years concerning its literature and logos. Anyone who has any questions about how NA literature is to be developed and approved, who “owns” it, how it may be changed and who may change it, who may print it, and what is to be done with the money resulting from its sale can easily refer to the Fellowship Intellectual Property Trust. In this one comprehensive document appear the policies our entire fellowship has created to preserve the integrity of its published message and the accountability of its publishing services.

These policies have been cast as a legal document, a “trust.” This has been done, in part, because US law and international treaty regulate the way “intellectual property”—copyrights, trademarks, and other creations of the mind or spirit—should be administered. The legal “trust” framework has been used because it fits the relationship established in Narcotics Anonymous between the fellowship and its service bodies where NA literature and logos are concerned.

The intent of the trust is to provide assurance to our present and future membership that NA’s properties are duly protected from misuse by anyone, including our world services. The trust clarifies and limits Narcotics Anonymous World Services’ responsibility and authority in administering those properties on the fellowship’s behalf. NA’s literature and logos belong to no one individual, board, or committee, but are held in trust for the Fellowship of Narcotics Anonymous as a whole. By casting the policies affecting this arrangement as a registered legal document, we ensure that those policies can be enforced, if need be, by the California state government.

TRUST INSTRUMENT

The first of the Trust document's two parts is the legal "Trust Instrument" which is filed with the California attorney general. The instrument describes the relationship between the NA Fellowship, the fellowship's delegates meeting at the World Service Conference (WSC), and Narcotics Anonymous World Services, Inc. in the manner required in registering a charitable trust in California.

ARTICLE I

What "incidental expenses and costs of... administration" are anticipated?

These are the costs that were originally associated with creating the Trust: normal filing fees incurred in registering the trust instrument, attorney's fees for registration and amplification of applicable copyright and trademark registrations, and other incidental costs.

ARTICLE II: PARTIES TO THE TRUST

This article of the trust instrument briefly identifies the three parties of the Fellowship Intellectual Property Trust according to the relations that have developed over the years in Narcotics Anonymous services. Through their delegates, the NA groups make decisions at the WSC about the development, approval, and publication of literature on behalf of the entire NA Fellowship. Once those decisions are made, the approved literature is given in trust to Narcotics Anonymous World Services, Inc., which is expected to publish it in accordance with the directions the fellowship's representatives give it. The literature is created and published to benefit the Fellowship of Narcotics Anonymous as a whole in fulfilling its primary purpose: "to carry the message to the addict who still suffers." In legal trust terminology, this makes the NA Fellowship, through the vote of delegates at the WSC, the *Trustor*, Narcotics Anonymous World Services, Inc. the *Trustee*, and the NA Fellowship, as a whole, the *Beneficiary*.

ARTICLE III: IDENTITY OF TRUST PROPERTY

What is meant by "modify or delete property"?

This refers to the fellowship's ability, as trustor, to revise existing NA literature and/or remove an item from the classification of approved NA literature.

What about coffee cups, the Basic Journal, and other such products?

Coffee cups, chips and medallions, desks, chairs, and computers are all physical properties of the NA World Services corporation. However, any trademarks displayed on those properties are specifically subject to the rules of use described in the intellectual property trust.

ARTICLE IV: OPERATIONAL RULES

This article refers to the Trust Operational Rules. Are the rules separate from the Trust in some way? Aren't they registered as part of the Trust with the attorney general?

Because we are talking about “legal stuff,” we need to use our terms in a very precise way here. The *Trust* is a legal *arrangement*; it is not any of the documents associated with it. Both the trust *instrument* and the trust *operational rules* are meant to describe how the Trust works—each, however, speaks to a different audience. The trust instrument, describing the basic legal framework of the arrangement, is written to tell the government that we are settling our intellectual property affairs in a particular order recognizable to the courts. The operational rules serve as our fellowship’s internal agreement about the details of the trust’s actual administration. The trust instrument is like the articles of incorporation of the trust, and the rules are like its bylaws or guidelines. While only the instrument *must* be registered with the attorney general, the rules are also filed for information purposes. Further, Article IV of the instrument links the operational rules to the trust in such a way that, once the instrument is registered, the rules also become legally binding on all parties of the trust.

ARTICLE V: TRUSTEE

In Section 1, Item 6, what is meant by “take, keep control of, and preserve”?

This means that the trustee (NA World Services) has the duty to receive from the fellowship any intellectual properties that the fellowship decides are to be included in the trust. The trustee must then properly register its possession of the property, preserve it in its original form, use it in the way described in the instrument and rules, and take steps to ensure that others do not misuse the intellectual properties.

In Section 1, Item 7, what is meant by “make the trust property productive”?

The trustee must make the trust property available in some useful form to those who would benefit from it—namely, the NA Fellowship as a whole.

In Section 2, what is meant by “all other matters may be delegated”? What are some examples of acts delegated to others?

The trustee may delegate *portions* of its duties—for instance, it may contract with an attorney to register copyrights for certain trust properties—given reasonable supervision by the trustee. However, the trustee may never transfer or delegate to another entity the *whole* of its administrative duties. The trustee may hire an attorney to represent its interests in a court of law; it may charge an employee with the responsibility to account for the income of trust properties; it may appoint someone to negotiate a business deal on its behalf. However, the trustee may *not* ask someone else to take over the role of trustee itself—at least not on its own authority. Only the trustor can reassign all the rights and responsibilities of the trustee to another party (see the rules, Article VI).

Section 3 seems arbitrary. Why has it been included?

This section could really be labeled the trustee's "oath of office," and it is far from arbitrary. The language in this section has been very carefully crafted and is based on extensive California experience in defining the way in which a trustee can effectively be held accountable. Such a statement of the standard of care the trustee is to be held to is required by California trust law.

In Section 4, what are some examples of "powers conferred by statute"?

As with so much of the language included in the trust instrument, the lead to this section is taken directly from the California Probate Code division on trust law, Section 16200. The specifics are drawn from other sections of the code that describe the powers of trustees (Sections 16201, 16202, 16220-21, 16223-49).

In Section 4, can you clarify some of the powers listed?

While the "legalese" language found in these items is sure to be unfamiliar to most of our members, it is very common to these types of legal documents. We will try to clarify the particular points as best we can.

Item 3. *How could "the legal form of business" be changed?* This item is phrased as if the trustee's corporation—Narcotics Anonymous World Services, Inc.—were being set up at the same time as the trust. Item 3 gives NA World Services the authority to set up and incorporate a business enterprise so that it can fulfill the rights and responsibilities described in Article IV of the operational rules (print, warehouse, and distribute NA literature, etc.). It also gives NA World Services the authority to modify the way in which the business is set up if such is found to be necessary for the fulfillment of its responsibilities as trustee. (For more on "legal forms of business," see the glossary at the back of this handbook.)

Item 4. *What is meant by "manage and control"?* This item gives the trustee (NA World Services) the responsibility to properly register, protect, and regulate the use and licensing of the trust properties themselves—that is, the copyrights to NA literature and the registrations of our trademarks and service marks. It also gives the trustee the authority to put whatever proceeds or assets might come from the sale of literature (using trust copyrights) or NA memorabilia (using trust trademarks) to whatever uses would most benefit the NA Fellowship.

Item 5. *How, to whom, and why would property be "encumbered, mortgaged, or pledged"?* This is one of the standard clauses in trust instruments. It is usually intended to indicate that the trustee has been granted full authority to manage the trust property, especially for purposes of interaction with financial institutions. This power is very similar to a homeowner's ability to secure a mortgage on the equity in his or her house. It simply means that the trustee could use trust property as collateral in securing a loan, if that were held to be in the best interests of the trust. Note, however, that the most important of the trust properties—our fellowship's name and logos and the copyrights to NA's literature—*cannot* be put up for a loan.

Item 8. *Borrow money from whom? Why does this not say anything about excluding outside enterprises or being self-supporting?* Item 8 allows the trustee to borrow

money in the name of the trust and to use the proceeds from sales of literature (using trust copyrights) or memorabilia (using trust trademarks) to repay the loan without allowing a claim to be made on the trust properties (the copyrights and trademarks) themselves. Most businesses avail themselves of credit-line services offered by financial institutions. It is the belief of the World Board that this service is not an “outside *contribution*” since NA World Services not only repays the principal but also makes interest payments for its use.

Item 9. This item simply authorizes the trustee to settle any legal actions taken against the trust should the trust itself be sued, and to release others from claims arising from disputes initiated by the trustee if such is deemed to be in the best interests of the trust.

Item 11. *Does this include writers? What does “administrative duties” mean?* This item allows the trustee to hire or contract with people specifically to manage affairs related to the trust arrangement itself. Such administrative duties might require the assistance of attorneys to register copyrights and trademarks, accountants to keep track of the proceeds from the sale of literature and memorabilia, or administrative staff to compile necessary reports on trust activities, process trust-related correspondence, or evaluate requests to reprint literature protected by trust copyrights. Editorial staff could be used to draft or edit reports for these purposes, of course, but this item does not give the trustee specific authority to hire writers to help with the drafting or editing of literary projects being developed by the World Board. The authority to spend money generated from the sale of copyrighted literature or memorabilia using trust trademarks to hire staff to provide “administrative, organizational, and logistical services to the WSC” (writers among them, should they be required) is detailed in Article IV, Section 9, Item 1 of the Operational Rules.

Item 12. This item gives the trustee the authority to sign whatever legal documents it must sign in the course of carrying out its responsibilities.

Item 13. This item gives the trustee the authority to defend itself if it is sued and to file its own lawsuits against others, not only to protect the trust property but also to protect the trustee from liability, so long as its actions have been taken within the framework of its duties. Note that the matter of filing suit to protect the fellowship’s literature and logos is dealt with in much greater detail in Article IV, Section 11 of the operational rules.

What is the purpose of Section 5? Would it mean that new groups would not be able to get starter kits from NA World Services? Would it mean they couldn’t get literature if they couldn’t afford it?

Under California trust law, the power to make loans to the beneficiary is one of the standard powers assigned to trustees. Therefore, we must specifically limit this power in our trust’s instrument if we do not wish monetary loans to be made from the trust.

This section does not limit the kinds of group service efforts we have come to expect from NA World Services. It does not prevent NA World Services from providing new

groups with starter kits, and it does not restrict NA World Services from making appropriate arrangements to distribute literature at reduced cost or free of charge in cases of need. (See Article IV, Section 9 of the Trust Operational Rules, and specifically Item 2.)

In Section 6, define “indemnify.” Is there any insurance policy? A different policy for the World Board? What are some examples of “other persons”? Define “wrongfully consented to”; give possible examples.

To indemnify means “to secure against hurt, loss, or damage.” All this section does is provide that none of the persons mentioned will be burned at the stake for making a simple error in judgment made while carrying out their duties, provided the error is made in good faith. The “other persons” referred to could include either those who are contracted to provide specific services for NA World Services or who provide services on a voluntary basis at the behest of the corporation. If any of them are sued for something they’ve done in the performance of their duties, Article V, Section 6 of the trust instrument requires the trustor to protect them from personal harm.

Early in 1992, NA World Services extended its liability insurance coverage to provide this specific kind of protection for members of the World Board (including its officers), other volunteers on world service business, WSO employees, and those under specific contract to NA World Services. A single policy covers them all. Authorization for such insurance has been specified since 1987 in Article 8 of NA World Services bylaws.

Note that this section does *not* protect board members, officers, employees, or anyone else from any liability that may arise from wanton neglect of their responsibilities or from malicious acts. Nor does this section provide for protection against liability arising from “any act wrongfully consented to by the beneficiary or trustor.”

Why can an individual be sued by the trustee (NA World Services) while an individual associated with the trustee cannot be sued for their actions? Why does the trustee have more rights and protection than the beneficiary?

It’s true that both the trust instrument and the operational rules have provisions allowing the trustee to file lawsuits to protect both itself and NA’s literature and logos. (See instrument, Article V, Section 4, Item 13, and rules, Article IV, Section 11.) To date, the fellowship has stated in no unclear terms that NA World Services is responsible to protect the fellowship’s literature and logos from anyone who threatens them, whoever those persons may be. This is simply a restatement of the intent of our First and Fourth Traditions in the context of the entire fellowship’s intellectual property rights: No individual NA member, no individual NA group has the right to take action benefiting themselves that would impair our common welfare or negatively impact NA as a whole in any serious way. If the fellowship were to forbid the trustee to protect NA’s copyrighted literature from being altered or published at will by individual members or groups, the courts would interpret that as the fellowship’s way of saying that they had

abandoned their collective control of the copyrights to NA literature—to put it bluntly, we would lose our copyrights to the Basic Text and all other NA literature.

Let's clarify the matter of lawsuits and the indemnification provided to NA World Services members, employees, and contractors. Indemnification simply provides assurance that those who serve on our World Board or who take employment at NA World Services will not be subject to personal financial ruin if they are sued for doing their jobs. They are given this kind of protection because it is conceivable that people put in such a position on our behalf may need it and because our fellowship has refused to put them in that position without backing them up. This does not give them more rights than the beneficiary. Remember, the beneficiary is “the Fellowship of Narcotics Anonymous as a *whole*.” In the normal course of trust activities, NA as a whole is not exposed to any liability at all; only the trustee is exposed to such liability. The only reason the beneficiary, as defined in this trust, is not provided indemnification from liability is because the beneficiary *has* no liability associated with the trust.

Why is Section 7 there?

Organizations taking part in political activities are regulated by the tax authorities in a different way than nonpartisan organizations. Therefore, any public benefit or charitable organization applying for tax exemption must include such a provision in its organizing instrument.

ARTICLE VII: TERMINATION

Under what circumstances could “the trust purpose [be] fulfilled”?

This is a standard provision in the articles of incorporation or bylaws of many nonprofit organizations. The trust purpose may be fulfilled either when addiction disappears or when a cure is found—granted, not a likely occurrence. On the other hand, it could conceivably come to be impossible for the trust purpose to be fulfilled if, for instance, legislation is enacted outlawing the association of known addicts.

ARTICLE VIII: JURISDICTION

Why California and not some other USA state?

Because the standards of accountability that trustees are held to in caring for a trust are far stricter in California than anywhere else in the USA. Registering the Fellowship Intellectual Property Trust in California provides the fellowship with the greatest possible protection. NA World Services has had principle offices and has been registered in the State of California since 1977. The California Attorney General's Office would probably have had some serious questions if we had tried to establish this trust in a state with more lenient standards of care.

Why no jury trial?

Because trusts are subject to probate law, not criminal law, and juries are not used in probate court. This is merely a statement of legal fact concerning all trusts under California law, not a special provision of the Fellowship Intellectual Property Trust.

ARTICLE IX: TRUST REGISTRATION

When the trust was approved, the delegates who voted on the groups' behalf to do so selected one of their members to sign the instrument for them before it was filed with the California attorney general as shown on page 5. The same will have to be done in the future if the instrument is ever revised.

TRUST OPERATIONAL RULES

The next section of the trust document is the working "operational rules," the bylaws or guidelines that control the actual administration of the trust and the relationship between the parties to the trust: the fellowship, its representatives, and Narcotics Anonymous World Services.

ARTICLE I

Section 1

Section 1 provides a brief documentary history of the trust relationship that had already developed between the fellowship, the World Service Office, the World Service Board of Trustees, and the World Service Conference prior to the formal creation of the Fellowship Intellectual Property Trust.

Section 2

Section 2 summarizes the general purpose of the Trust Operational Rules.

Section 3

Section 3 briefly defines and describes the three parties to the Fellowship Intellectual Property Trust: the *Trustor*, the *Trustee*, and the *Beneficiary*. In all trusts, the *trustor* establishes the general policies that guide the administration of the trust property. The *trustee* carries out the trustor's instructions in the day-to-day management of the property of the trust. And the *beneficiary* is the person or group of people in whose interest the trust is managed. In this trust, the trustor is the Fellowship of NA as given voice by its groups through their delegates at the WSC, the trustee is Narcotics Anonymous World Services, Inc., and the beneficiary is the NA Fellowship as a whole. It is our belief that these trust roles line up pretty closely with the roles the delegates, NA World Services, and the fellowship have already come to play in NA's development. With the exception of our narrowed definition of the trustor as the body of delegates, we have not described anything new in the Fellowship Intellectual Property Trust; we have merely tried to mirror the existing service relationships in our fellowship.

The means by which the fellowship acts as trustor is described in a very specific, even peculiar way. What is behind this language?

In developing the trust, we had originally identified the WSC itself as the trustor. Historically, the NA groups have given the conference authority to make decisions

concerning services affecting the entire fellowship, putting it in a good position to act as trustor of the Fellowship Intellectual Property Trust. However, identifying the WSC itself as trustor created two problems.

First, because the trustor must be the actual owner of whatever is being placed into trust, we would have to find a way to identify the fellowship itself as the trustor and, hence, the “equitable” (or moral) owner of NA’s literature and logos.

Second, with the approval of *Twelve Concepts for NA Service* in 1992, our fellowship had agreed that decisions affecting the NA message must be decided, in some fashion, by the NA groups. For example, the essay on Concept Two reads, “proposals to change NA’s Twelve Steps, Twelve Traditions, name, nature, or purpose should be approved directly by the groups.” The NA name, being a registered trademark and service mark, is one of the intellectual properties covered by this trust; the nature and purpose of Narcotics Anonymous are defined by its copyrighted literature, also protected under the Trust. Giving the whole WSC body authority to make decisions about the Fellowship Intellectual Property Trust seemed to run contrary to the spirit of the Twelve Concepts. Somehow, the Trust would have to identify either the NA groups or their direct representatives as the collective trustor.

However, we could not show the duties of the trustor of the Fellowship Intellectual Property Trust as being dissipated among the individual groups because the decisions the trustor has to make affect the fellowship as a whole. To give individual groups the ability to take action on their own that could seriously affect other groups or NA as a whole would contradict our Fourth Tradition. Somehow, we had to provide means by which the groups or their direct representatives could fulfill their responsibilities as trustor in a coordinated way, so that they all took part in decisions affecting them all.

That’s how we came to define the trustor as:

1. the Fellowship of Narcotics Anonymous
2. as given voice by its groups
3. through their delegates
4. at the World Service Conference.

The fellowship itself, as given voice by its groups through their delegates at the World Service Conference, elected by regions and zones seated at the WSC, is identified as the Trustor and, therefore, the equitable owner of NA’s literature and logos. The NA groups are placed in direct control of the trust because the trust directly affects the interests of each individual NA group. Only their direct representatives, the delegates, are recognized as having the ability to make decisions on their behalf concerning the Trust. The delegates are required to make those decisions only within the context of the WSC, assuring that action affecting the entire fellowship will be conducted in a coordinated fashion.

ARTICLE II

The first four sections of this article simply describe the items that have been placed in trust: NA’s Twelve Steps and Traditions, other NA literature, NA’s name and marks, and

the copyrights to NA literature. The Trust document regulates the creation, revision, and use of these items in a way consistent with already-approved policy.

Ownership

Throughout Article II, we find statements like this: “The ownership of [our literature] will be registered in the name of the Trustee,” Narcotics Anonymous World Services, Inc. Some members might ask, “Does this mean that the fellowship doesn’t own its own literature?” The answer to that question is *no*.

Ever since the World Service Office (now called Narcotics Anonymous World Services, Inc.) was created in the early 1970s, it has been the registered *legal* owner of the copyrights to our literature. However, the *equitable* owner of our literature is the fellowship itself, as described in Article I, Section 3 of these rules. Narcotics Anonymous World Services, Inc. is not, after all, a completely independent entity; it is our fellowship’s world service corporation. All Article II says is that legal ownership of the fellowship’s literature will be registered in the name of the fellowship’s legal corporation.

Regarding Section 3, does this include coffee cups, the Basic Journal, and other memorabilia products?

Trademarks and service marks, described in Section 3, are included among the trust properties. Use of these marks on coffee cups, the Basic Journal, or other memorabilia are subject to regulation by the Trustee.

Regarding Section 3, define “hybrid”

Hybrids of the NA logos are fairly common—for instance, the stylized NA initials with the “NA Tree” superimposed.

Does Section 4 affect H&I’s “Reaching Out” newsletter?

Reaching Out, specifically, is not currently copyrighted because the conference has not given any instructions to restrict its duplication.

Section 5: works made for hire

Section 5 offers a very specific definition of the terms under which NA literature is created and copyrighted. We believe this definition is consistent with precedence, already-established fellowship policy, and our fellowship’s philosophy of both the anonymity and the accountability of its trusted servants. When our trusted servants take part in an NA service project, we expect them to do so not to accrue power, property, or prestige to themselves but to unselfishly serve our fellowship. And we expect that our fellowship, through its representatives in the service structure, will have final authority over such projects from start to finish.

Does this mean that no literature will be originated outside the World Board? Is an individual, group, area, or region prohibited from writing literature?

No, to both questions. First, note that this section refers to *all* the world service boards and committees. Material originated in an individual’s home, for instance, or in a group,

area, or region would only need to be accompanied by a copyright release before it could be incorporated into the NA literature development process, as has always been the case.

Does this mean that no individual who may have a vast knowledge in a particular area of recovery and/or the fellowship may have his or her name printed?

Though we do not print NA books or pamphlets showing the names of individual authors, that is not what this section refers to. This says that individuals who take any part, big or little, in helping create literature for NA must do so for the fellowship's benefit, not their own. The copyrights will be registered in the trustee's name, protecting the entire fellowship's rights to the literature, *not* in the names of any individuals who may have had a part in the project. Creative members who wish to write and publish their own copyrighted recovery material under their own names are not prohibited from doing so, provided they do not use the NA name or other trademarks.

If the trustor has constant control over literature from commencement to conclusion, does that include area or regional newsletters?

No. This refers only to *trust* literary properties—materials created in the name of NA as a whole. For more information on local newsletters, see the approved *Handbook for NA Newsletters*, available from the World Service Office.

ARTICLE III

In this article, the role of the fellowship in the creation, approval, and revision of NA literature is clearly described: The fellowship, as given voice by its groups through their delegates at the WSC, currently has sole authority to approve or revise NA literature. Primary among the “agents” referred to in Section 1 is the World Service Conference and the World Board through which it does its detail work.

Does the way Section 1 is written exclude the creation of literature, etc., outside of the WSC/NA World Services—for instance, in groups or areas?

No. This says only that the conference has sole authority with regard to literature created “for and on behalf of the NA Fellowship,” referring to the *entire* fellowship.

Does this leave anything out (keytags, world convention cups, etc.)?

No. What's being regulated is not the products (keytags, cups) themselves, but the NA trademarks and service marks used in *making* those products—all those products, no matter who their manufacturer may be.

Why is Section 2 included in the rules?

To clarify the relationship of the WSC, our fellowship's general decision-making body, with its boards and committees, to the trustor. While the trustor—the delegates at the WSC—has direct authority in matters relating to the intellectual property trust, the trustor has a standing relationship with the World Board which facilitates the actual

work involved in developing new material and revising existing materials within the terms of the trust.

It sounds like the Basic Text and other pieces of NA recovery literature may be revised with only one hundred fifty days notice. Is this true?

Yes, technically speaking. This reflects conference action. However, the same action showed an understanding that the fellowship should be given as much time as possible to review new or revised literature being proposed for its approval.

ARTICLE IV

This article of the operational rules goes into great detail in describing the role, responsibilities, and limitations that have been placed on Narcotics Anonymous World Services, Inc. in administering the fellowship's literature and logos.

Section 3: What is fiduciary relationship?

Section 3 defines the "fiduciary" relationship between the trustor (the body of fellowship delegates) and the trustee (NA World Services). Basically, the fiduciary relationship is one where someone is given something to care for—copyrights, for example—and specific instructions about how to provide that care. Further instructions on how that care should be given may be issued as time goes on, and the caretaker is obliged to follow those instructions. Though the thing being cared for may come to be *legally* registered as the property of the caretaker, the original owner (in our case, the fellowship) maintains what is called *equitable interest* in the property, and may take it back if he or she pleases. This is the fiduciary relationship, and it matches well the arrangements that have been made in past years for the management and protection of NA-approved literature copyrights and logos by Narcotics Anonymous World Services, Inc.

Does Section 4 conflict with the Trust Instrument, Article V, Section 4, Item 11?

No, this section does not conflict with the trustee's authority to hire people, granted in the instrument; it says specifically "that this provision shall *not* prevent payment to any such person of reasonable compensation for services rendered to or for the trustee in furtherance of its purposes."

What are some examples of expenses?

Members of the World Board of NA World Services are routinely compensated for their expenses associated with travel to and from board meetings—airfare, meals, and lodging. Another common expense is for phone calls used to conduct NA World Services board business.

Does this mean non-addict authors for hire? Are more specific guidelines needed?

While there is nothing in this section forbidding the hiring of non-addict authors by NA World Services, WSC guidelines prohibit their use in the development of NA literature (Sec. 3-G). That seems to be sufficiently specific for our purposes.

Regarding Section 7, does Item 1 mean logos can be changed at any time?

If what you mean by “logos” is the Narcotics Anonymous name, the design of the stylized NA initials, the diamond in a circle, or the original NA group logo, the answer is *no*. Changes in those trademarks and service marks can only be made by the fellowship itself as given voice by its groups through their delegates at the conference.

Does Item 2 mean the trustee totally controls pricing of all literature?

Yes—that is, Narcotics Anonymous World Services, Inc. controls the prices at which NA World Services sells materials to others. This has been standard policy since the office’s creation.

Section 11: How does the trustee protect the trust property?

This section describes the process to be used in protecting the trust’s intellectual properties. It allows Narcotics Anonymous World Services, Inc. to respond in a timely manner to infringement of the trust’s copyright, trademark, and service mark registrations, and to inform the fellowship of the problem. It also gives the office the authority to settle the problem in the best interests of the fellowship, provided that the members of the World Board concur. The provisions of Section 11 are consistent with a motion regarding infringement action approved at WSC’91.

Regarding Section 11, Item 5, does this mean that NA World Services can file a lawsuit without telling (or asking) the WSC if it thinks that it may jeopardize the success of that action?

Yes. As we were putting the trust documents together, the only situation in which we imagined this occurring would be if one or more delegates themselves were targets of a particular suit. Note also that the item says that prior notice cannot be withheld unless it “would *demonstrably* impair the trustee’s ability to effectively protect the trust property.” Should the delegates, as trustor, ever suspect that notice had been withheld without due cause, they could—and should—require NA World Services to demonstrate its case.

Section 12: What is the trustee reporting obligation?

This section lays out the fellowship’s requirements for full annual reports from Narcotics Anonymous World Services on its finances and operations, especially as they relate to the fellowship’s literature. This section is included to ensure that NA World Services, as trustee, remains fully accountable for the way in which it administers our intellectual property trust.

ARTICLE V

This article describes the role of the beneficiary, the NA Fellowship as a whole, in the trust. One section deserves particular attention: Section 3.

Section 3

This section describes how a member or any component of the NA service structure can make a request if it has concerns about the financial activities associated with the Fellowship Intellectual Property Trust. It describes some of the ways that financial assurance is provided through reporting and independent audits. It then describes a process to use if the seated region or zone has concerns after reviewing the information available. The first step is to contact the World Board. If the concern is still unresolved, the final step is to ask the fellowship to support an inspection through a motion in the Conference Agenda Report. Only the WSC can make the decision to initiate an inspection request, as they speak for the beneficiary and are responsible for the allocation of NA World Services' resources. The standard threshold of two-thirds of voting participants at the WSC required to make a decision would be changed in this case to a simple majority (50% plus one).

Does there need to be a specific “concern” to justify an inspection?

Given the resources that are already used to provide assurance of the financial activities and reporting for NA World Services, any concern should be articulated in a way that clearly outlines the issue and what the region or zone believes should be inspected.

ARTICLE VI

This article provides for a two-stage approach to the revocation and reassignment of trustee rights and responsibilities. The plan is based on the fact that revocation of the trustee's responsibilities would be a major organizational move. Such a move should take place only if there is widespread, serious concern about the trustee's ability to fulfill its responsibilities, and only after thorough review.

Section 1

The first stage of the revocation process describes the means by which it will be determined whether there is substantial concern about the trust's administration. If so, the delegates must then approve *consideration* of a revocation proposal by a majority.

Sections 2, 3

The second stage of the revocation process describes the *actual* consideration, revocation, and reassignment. This stage takes a conference cycle to complete, allowing time for discussion and fellowship input. The committee created to study the revocation proposal is composed of a cross-section of WSC participants, with a member of the World Board chairing the committee. The decision to revoke the trustee's rights and responsibilities requires approval of two-thirds of the delegates, ensuring substantial consensus on so weighty a decision.

ARTICLE VII

This article is a simple process for revision of the Trust Operational Rules and, more significantly, of the Trust Instrument itself. Revision of the Operational Rules can be accomplished on the spot. Revision of the Trust Instrument, however, takes longer. This is to assure that adequate consideration is given such a change.

What happens to the trust when and if the service structure changes?

Article VII of the Trust Operational Rules describes clear procedures by which both the instrument and the rules can be revised to conform with any change in the service structure.

GLOSSARY

A

Arbitration. Specific means by which civil disputes may be settled out of court; in California, regulated by civil code. (Instrument, Article V, Section 4, Item 9)

B

Bond. A deposit guaranteeing performance of an act previously agreed to, which is forfeited if the act is not fulfilled according to terms. (Instrument, Article I, Section 5)

C

Conveyance. The transference of property (esp. real property) from one person to another by any lawful act; in modern use only by deed or writing between living persons. (Instrument, Article I, Section 2)

Copyrights. The exclusive right given by law... to an author, composer, designer, etc. (or his assignee) to print, publish, and sell copies of his original work.

E

Encumber. To burden (a person or an estate) with debts; *esp.* to charge (an estate) with a mortgage. (Instrument, Article V, Section 4, Item 5; and Article V, Section 5)

F

Fiduciary. A *fiduciary relationship* is “one founded on trust or confidence reposed by one person in the integrity and fidelity of another.” Basically, the fiduciary relationship is one where someone is given something to care for—copyrights, for example—and specific instructions about how to provide that care. Further instructions on how that care should be given may be issued as time goes on, and the caretaker is obliged to follow those instructions. Though the thing being cared for may come to be *legally* registered as the property of the caretaker, the original owner (in our case, the fellowship) maintains what is called *equitable interest* in the property and may take it back. (Instrument, Article V, Section 4; Operational Rules, Article I, Section 1; and Article IV, Sections 2, 3, and 10)

H

Hybrid trademarks, service marks. The combination of one registered trademark or service mark with one or more other marks, whether registered or not. (Operational Rules, Article II, Section 3; Article IV, Section 5)

I

Indemnification. To secure against hurt, loss, or damage (esp. by means of an insurance policy). (Instrument, Article V, Section 6)

Infringement. A breaking or breach (of a law, obligation, right, copyright, patent, etc.); breach, violation. (Operational Rules, Article I, Section 1; Article IV, Section 11)

Injunction. A judicial process by which one who is threatening to invade or has invaded the legal or equitable rights of another is restrained from commencing or continuing such wrongful act, or is commanded to restore matters to the position in which they stood previously to his action. (Operational Rules, Article IV, Section 11, Item 5)

Intellectual property. Creations of the mind or spirit. Types of intellectual property include literature, trademarks, patents, and manufacturing processes, among others.

L

Legal form of business. The organizational type under which a business is registered with the government. Such forms include corporations, foundations, partnerships, and unincorporated associations of individuals. (Instrument, Article V, Section 4, Item 3)

P

Pecuniary profit. An award resulting from a lawsuit. (Operational Rules, Article IV, Section 3)

Performance audit. A meticulous examination of management policies and procedures. (Operational Rules, Article IV, Sections 10 and 12)

Detail: A normal *audit* occurs when a CPA comes into the office, reviews the accounts, prepares the annual financial statements, and certifies the integrity of the books with specific notes. This kind of audit is currently conducted each year at NA World Services, and its results are published in the Annual Report.

A *performance audit* is more complicated, more time-consuming, and vastly more expensive. The accountants come in, review NA World Services financial policies, then track through every aspect of everything NA World Services does that has to do with either incurring expense, paying out money, or receiving payment. Once they've completed their job, they issue a comprehensive report and set of recommendations on NA World Services financial procedures along with the ordinary statements and certification. No performance audit has yet been conducted of NA World Services.

Perpetual charitable trust. *Perpetual* means "never ceasing; continuous; enduring; lasting; unlimited in respect of time." A *charitable trust* is defined as a "fiduciary relationship with respect to property arising as a result of a manifestation of an intention to create it, and subjecting the person by whom the property is held to equitable duties to deal with the property for a charitable purpose." A *charitable purpose* is thought of as the "accomplishment of objectives which are beneficial to the community or area." And a *fiduciary relationship* is "one founded on trust or confidence reposed by one person in the integrity and fidelity of another." (Instrument, Article I, Section 3)

Probate Code, California. The branch of California civil code governing trusts. (Instrument, Article VIII)

Prudence. Ability to discern the most suitable, politic, or profitable course of action, esp. as regards conduct; practical wisdom, discretion. Wisdom; knowledge of or skill in a matter. Foresight; providence. *Note that in the course of California Probate Court action, “prudence” as affecting the administration of trusts has come to describe certain specific standards of care.* (Instrument, Article V, Sections 3 and 4)

R

Ratify. To confirm or make valid (an act, compact, promise, etc.) by giving consent, approval, or formal sanction (esp. to what has been done or arranged for by another). (Operational Rules, Article I, Section 1; Article IV, Section 11, Item 4)

Recovery literature. 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. (Instrument, Article III, and Operational Rules, Article II, Section 2)

Register. To make formal entry of (a document, fact, name, etc.) in a particular register; also to get (a document, etc.) entered in the register by the person entitled to do so. (Instrument, Article IX; Operational Rules, Article I, Section 3; Article II, Section 5; Article IV, Section 5)

S

Seizure orders. Court orders to seize a person’s property to remedy prior damage to another or to prevent the possibility of further damage. (Operational Rules, Article IV, Section 11, Item 5)

Service marks. A mark or device used to identify a service offered (such as transportation or insurance).

Service materials. Handbooks or other materials intended primarily for use within the context of an NA service board or committee. (Instrument, Article III, and Operational Rules, Article II, Section 2)

Settlor. The dictionary defines *settlor* as “a person who makes a settlement of property.” When the trust instrument says that “the Fellowship of Narcotics Anonymous... is the Settlor and Trustor,” it means that the fellowship is the creator of both the property being placed in trust and the trust itself, and therefore maintains equitable ownership of the trust property. (Instrument, Article II)

T

Third-party liability. A liability in the nature of a contingent claim, wherein the trustee is not accused of having caused damages and does not claim to have been harmed but is rather held liable for someone else’s damages. (Instrument, Article V, Section 4, Item 7)

Trademark. A mark secured by legal registration used by a manufacturer or trader to distinguish his goods from similar wares of other firms; usually a distinctive device or figure, a fancy name or trade name, or the name of an individual or firm, marked or impressed on the article or upon the package, etc., in or with which it is sold.