

The US Constitution was ratified on June 21, 1788, it wasn't until February 10, 1967 that the United States ratified the 25<sup>th</sup> Amendment to the Constitution. This amendment was brought about by concerned members in Congress, a "special interest" and it has benefited our Nation ever since. This might have never happened if we solely relied upon precedence when establishing laws, setting policy or simply righting a wrong. The "special interest" status held by the members of the Autonomous Region of Narcotics Anonymous (ARNA), is very similar.

This revocable trust, the Fellowship Intellectual Property Trust (FIPT), was developed as part of a settlement agreement that was ordered by a Federal Judge. In World Service Office Inc. (WSO) vs. Moorhead (Civil Action NO. 90-7631), the Judge strongly urged the two parties to work things out, or he would do it, and they might not like the way he was prepared to do it. The arrangement called for the two parties to develop a document that would protect Narcotics Anonymous literature. That arrangement was ignored by the people attached with the WSO – now called Narcotics Anonymous World Services Inc. (NAWS), the current defendant, with many of the very same people – in fact on April 29, 1992, the Honorable Louis J. Pollak, had to hold an emergency telephone conference call in his chambers with the lawyers for World Service Office Inc. and David Moorhead. During this call the Judge was made aware, that despite pending legal action the WSO was attempting to have the FIPT approved at a meeting of the World Service Conference (WSC), in Dallas TX, that very day. The Judge had ordered the two parties to work together on the FIPT, but the WSO had decided to write it themselves and have the WSC approve it, which would have been in violation of his Court orders. The Plaintiffs' Attorneys called Dallas and got the current Executive Director, Anthony Edmondson on the line and got assurance for the Judge that they were not moving forward with action to approve the FIPT at the 1992 WSC. David Moorhead, passed away leaving nobody with "Standing", to protect the Courts orders. Therefore, at the 1993 WSC the WSO proposed the FIPT again and it passed, without the two parties working together on the development of a FIPT, as the Judge had ordered.

The Narcotics Anonymous (NA) fellowship has Twelve Steps and Twelve Traditions that were adopted from Alcoholics Anonymous and amended, members are introduced to them at their very first meeting. The Steps are utilized for personal recovery and the Traditions are intended to be safeguards for the entire fellowship. The defendant in WSO vs. Moorhead, was simply doing as the NA Group he participated in had voted to do, provide free literature. Step Twelve calls on members, "...to carry this message to addicts...", and the Fifth Tradition explains how every NA Group has but one purpose, "...to carry the message to the addict who still suffers." The corporation sued him in Federal Court, because with the Groups limited funds, and high demand, they were printing all the literature themselves, and giving it away in fulfillment of their need to, "carry the message." When Judge Pollak, declared that they should work something out because they might not like the way he was prepared to rule, I don't think Moorhead was worried that the Judge might tell them to stop carrying the message. However, for the common good he came to an agreement with the corporation, and I guess they had their fingers crossed when they were negotiating that agreement.

The most important aspect of the trust is the trust property. The primary purpose for creating a trust is to provide for the needs of the beneficiaries, therefore the beneficiaries should be the party that dominates all the preparatory thoughts when the trust is written, not the trustee. Principally, everything done in Service to NA is done to carry the message to the addict that still suffers, not to ensure corporate profits. As an example of how the corporate profits are utilized here is a partial list of travel locations for the current Assistant Executive Director, Becky Meyer:

Cartagena, Colombia	Saudi Arabia	Istanbul, Turkey
Mississauga, Canada	Dead Sea, Israel	Siberia, Russia
New York, NY	Esfahan, Iran	Rio de Janeiro, Brazil
New Orleans, Louisiana	Geneva, Switzerland	Geneva, Switzerland
Atlanta, GA	Cairo, Egypt	Zagreb, Croatia
Quebec, Canada	Manama, Bahrain	Dar Es Salaam, Tanzania
Vienna, Virginia	Kuwait City, Kuwait	Kuala Lumpur, Malaysia
Sao Paulo, Brazil	Valencia, Spain	Athens, Greece
Birmingham, England	Paris, France	Berlin, Germany
Austin, TX	London, England	Birmingham, England
Philadelphia, PN	Moscow, Russia	Reykjavík, Iceland
Krakov, Poland	Dubai, UAE	Cape town, South Africa
Frankfurt, Germany	Barcelona, Spain	Dar es Salaam, Tanzania
Minneapolis, MN	Cape Town, South Africa	Mombasa, Kenya
Tokyo, Japan	Helsinki, Finland	Zanzibar, Tanzania
Louisville, KY	Vienna, Austria	Warms Springs, Oregon
Orlando, FL	Seattle, WA	Kiev, Ukraine
Milan, Italy	Rome, Italy	Tehran, Iran
Honolulu, HI	Brussels, Belgium	Muscat, Oman
Toronto, Canada	Manama, Bahrain	Mombasa, Kenya
Dublin, Ireland	St Paul's Bay, Malta	Wellington, New
Budapest, Hungary	Florianopolis, Brazil	Zealand
Lisbon, Portugal	Kuwait City, Kuwait	

Our literature declares that the newcomer is our most important person and therefore should have been stated as being the beneficiary of the FIPT. The needs of the beneficiaries cannot be accomplished if the trust property is abused or depleted, by the trustee. The trustee is responsible for protecting the trust property, and the duty to ensure that the income is sufficient to meet the needs of the beneficiaries not the trustee, especially in a volunteer organization like NA.

The trustee has the responsibility to ensure that trust property is not commingled with other property, this is not being done to the detriment of the beneficiaries, and to the benefit of the trustee. During a corporate restructuring the WSO, WSC and the World Convention Corporation of Narcotics Anonymous merged to become NAWS Inc. The mismanagement of the World

Convention has caused huge losses for NAWS Inc. The NAWS Board of Directors (BOD or World Board) in conjunction with the paid staff have utilized the proceeds from FIPT revenue to pay for those losses, amounting in over a million FIPT dollars being misappropriated:

2000 - \$41,095

2007 - \$596,000

2009 - \$212,895

2015 - \$384,710

The trustee has delegated the responsibility of managing the trust property over to the paid employees, special workers as our Eighth Tradition calls them, who have no interest in being prudent with the income from the trust property. The instructions about special workers found in our 8th Tradition declare that, "Such employees are directly responsible to a service committee. [And] As NA grows, the demand for these workers will grow. Special workers are necessary to insure efficiency in an ever-expanding fellowship." The efficiency described here would imply that we have established policy and practices for our special workers to follow, and the management of those practices is scrutinized and reported to a service committee. If the NAWS Inc. BOD's, is the entity that our special workers are responsible to, what type of reports are they requiring of the management of our service centers? None. What is the established procedure to move from a position on the World Board to becoming a paid special worker? None. Or in being a family member of a special worker and on the World Board? None. Who, what, how and when is efficiency measured? It's not. Who measures the efficiency of the management? Presumably management. When was the last time a search was done for an Executive Director? 1991. Where can we find the procedural manuals for our special workers? There are none. What are the job descriptions of our special workers? They don't exist. When our special workers hire professionals or make purchases on our behalf, who ensures that the possibilities of kickbacks or corruption are not being circumvented? Nobody. What is the policy for special workers handling cash at our world convention? They were abolished. These are just a few of the questions that the NAWS Inc. BOD's will not or cannot answer. Between, 2002 and 2007, the current NAWS Inc. Executive Director, Anthony Edmondson, compensation as reported on IRS form 990 went from \$117,861 to \$218,677. Over the same time period the current assistant Executive Director, Becky Meyer, went from \$93,913 to \$143,497. Sometime between July 2007 and June 2008 the NAWS Inc. annual report shows that a former BOD member that served from 1998 to 2006, and was the Chairman of the BOD's had turn into an employee at NAWS Inc. How can a member of the NAWS Inc. BOD's, (FIPT Trustee) especially one that was the Chairman, go from being on the Corporate Board overseeing NAWS Inc. and its special workers, to become a paid special worker himself? Particularly when the NAWS Inc. Executive Director received over \$100,000 annual pay raise and the assistant Executive Director received a \$50,000 annual pay raise while this person was a BOD member? The appearance of impropriety with regard to NAWS Inc. employment began well before this example. For instance, in 1996, the current assistant Executive Director, Becky Meyer, resigned early from her Board of Trustees position and became a paid employee. This was done a few years after having overseen the writing of the FIPT, for the then called WSO. Additionally, the delegation of

overseeing all the FIPT income has become so lax the 2019 Annual Report makes two widely different claims. The FIPT mandates that the Trustee provide to the Trustor, "A year-end financial report of the previous calendar year." On page 31, of the 2019 Annual Report they say that, "NAWS contracts with an independent accounting firm to audit its financial statements each fiscal year. The audit team spends about a week in the Chatsworth office after the close of each fiscal year, during which they perform transaction tests, inspect internal controls, and scrutinize internal financial practices. This professional audit of NAWS' financial reports and practices conforms to best practices in the world of accounting and complies with the legal requirements for nonprofits. To audit the financial activities of WSO Iran, we have to hire an accounting firm in Iran that provides its audit to our US-based auditors. While this gives management and the Board verified figures for all branch offices, it drastically slows down the process." However, the independent auditors report on page 48, of the 2019 Annual Report, claims something entirely different. "We did not audit the financial statements of Payam Omega [WSO Iran] as of and for the year ended June 30, 2019, and they were not audited by other auditors due to declining relations between Iran and the United States of America. We were unable to obtain sufficient appropriate audit evidence about the amounts recognized for the Iran service office as of and for the year ended June 30, 2019. Consequently, we were unable to determine whether any adjustments to those amounts were necessary." Another glaring example of delegating away the responsibilities by the Trustees can be found on page 51. The Consolidated Statement of Financial Position for 2019 Exhibit C-1, has an additional category called, "Management and General", in which over \$1.2 million was reportedly spent. However, this category was never mentioned in the proposed budget or in the explanation of the financial reporting found on page 30. "Under each set of expenses, we include allocated costs for accounting, personnel, overhead, and technology. We calculate a fixed percentage each cycle to divide these costs among four areas of activity: literature production and distribution, World Service Conference support, Fellowship development, and events." There was no mention of this fifth category, "Management and General", that was also retroactively added to the 2018 Exhibit C-2, and 2017 Exhibit C-3, of the 2019 Annual Report.

A revocable trust was established as a way to protect the trust property, the beneficiary is harmed if the ability is removed to call into question issues with the way the trustee is managing the trust. The trustee has positioned itself to be in control of the trust property and the trustor. Within the FIPT is a document titled, "NA INTELLECTUAL PROPERTY BULLETIN #5", subtitled, "CONFLICT RESOLUTION WITHIN THE NA FELLOWSHIP". In 2016 a member appealed to the Trustee to resolve a conflict. Item four states, "If it is not possible to resolve a conflict at the local level, NA World Services should be contacted for assistance in resolving the conflict", and item five declares, "Since NA World Services is held legally accountable for safeguarding NA's intellectual property, it is also legally responsible to be the final arbiter of such conflicts." The members conflict was with NA World Services so he requested to utilize item six which declares, "If the member, group, service board, or committee is not satisfied with the decision made by NA World Services, it can request that the conflict be resolved at the next biennial

meeting of the World Service Conference.” Here is what he requested:

March 30, 2016

Dear World Board Members:

I would like to request time on the agenda at the upcoming World Service Conference, (WSC) scheduled for April 24th to April 30th, 2016 in Woodland Hills, California. My preference would be at or near the beginning of the event. The purpose of my request is to seek resolution to conflict concerning the use of NA intellectual property rights by individuals and service entities within the NA Fellowship and enforcement actions taken by the World Board as Trustee of the *Fellowship Intellectual Property Trust* (FIPT). From my reading of the “NA Intellectual Trust Bulletin Number 5”, I believe I have a right to request that this conflict be resolved at the upcoming WSC.

The conflict I want resolved has to do with the World Board’s (WB’s) actions regarding the reproduction of literature by NA Groups. The WB’s are seeking to resolve possible infringement activity by NA members and service entities in a way which, to me, is creating a serious conflict within our beloved Fellowship. What I see are statements, letters, and pronouncements by the WB that indict and convict NA members in the eyes, ears, and hearts of public opinion within the Fellowship, and the turmoil which results as supporters and detractors quarrel over both the merits of the charges and the personalities of the individuals involved is disrupting our common welfare and causing disunity within our Fellowship. The WB’s are charged with protecting our literature through the FIPT. Within that document there are instructions on how to handle the misuse of the Trust Properties. Here they are for your convenience:

## **OPERATIONAL RULES**

### **ARTICLE IV: RIGHTS AND RESPONSIBILITIES OF THE TRUSTEE**

#### **SECTION 11: PROTECTION OF TRUST PROPERTIES**

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

1. Before legal proceedings are initiated, the Trustee will request that all infringing parties cease and desist their infringement.
2. The Trustee will seek to resolve the infringement prior to filing formal litigation.
3. Prior to filing suit, at least three-quarters of the board members of Narcotics Anonymous World Services corporation must approve the action.
4. Prior to filing, the Trustee will report to all World Service Conference participants its intent to file infringement suit, unless the provision of such a report would demonstrably impair the Trustee’s ability to effectively protect Trust Property. In the event that prior notice of intention to protect the intellectual properties of the Trust would jeopardize the success of any action, appropriate provisions or remedies such as injunctions and seizure orders may be sought without prior notice.
5. Once filed, settlement of infringement litigation shall be at the discretion of the Trustee.

Nowhere in these instructions is it illustrated that the WB’s have the power to create a divide within the NA Fellowship. Nowhere is it mentioned that the use of presumption,

supposition, and opinion can be used to besmirch and denigrate members of NA for providing free literature in the furtherance of NA's Fifth Tradition. Additionally, I do not see anywhere in the instructions that imply, legal proceedings should be avoided or delayed where such are appropriate. With the WSC close at hand the WB's as Trustee need to follow the instructions of the FIPT and report to the WSC that it intends to file an infringement suit, or not. If no infringement suit is pending or if the WB's are unable to obtain the required three-quarters vote to proceed, then the WB's needs to cease and desist in the public opinion war being waged against members of the NA fellowship.

Thank you in advance for a quick response to this letter.  
Tom M.

The response from NAWS Inc. came after a follow up email was sent on April 8<sup>th</sup>:

**From:** Steve Rusch  
**To:** tom m @m.com  
**Subject:** FW: ----- IMMEDIATE ATTENTION NEEDED -----  
**Date:** Monday, April 11, 2016 2:13:17 PM

Hello Tom,

Thanks for writing. You have our apologies for the delay; it's a busy time. We assume you are referring to the efforts that NAWS has made over the last two years to provide information regarding compliance with the Fellowship's wishes as outlined FIPT Bulletin #4. If so, this is an issue that the WB has discussed so we are able to respond on their behalf. If they had not, it would take us much more time to send you a response from the World Board.

In response to your request to be added to the agenda at the upcoming WSC, we must decline your request. FIPT Bulletin # 5 does not provide any individual NA members automatic access to the WSC. FIPT Bulletin #5 provides a process for conflict resolution, and outlines the steps to be followed. Any individual needs to first attempt in good faith to resolve the conflict through those steps. It is often the case that discussing a conflict through various levels of the Fellowship causes an individual to take into consideration and weight the wisdom, views and thoughts of many other Fellowship members, and the conflict is resolved.

Regarding your complaint, It is clear that we are in disagreement on the actions we have already taken, and on the flexibility that the FIPT affords NAWS as it fulfills its responsibility as the trustee of NA's intellectual property. We will be discussing issues related to the FIPT and the noncompliance with FIPT Bulletin #4 at WSC 2016. Like you, we are interested in finding a path forward that supports the Fellowship's decisions as voiced through their elected delegates at the WSC and ultimately results in NA unity. We are hoping that these discussions and the Fellowship's decisions will be helpful in responding to your concerns.

Thanks again for writing.

Warm regards,

Steve Rusch

Fellowship Services Team Leader | NA World Services



This response clearly conflicts with the written policy of FIPT Bulletin 5, in which a member has the right to request that the conflict be resolved at the next biennial meeting of the World Service Conference. Therefore, the Trustee is in violation of the FIPT by acting as the Judge, Jury and Executioner with regards to this simple request.

As Trustee of the FIPT, the NAWS Corporate BOD's, are obliged to only do things that benefit the beneficiaries, and to not favor one beneficiary over another. However, in 2011 a significant number of the ARNA members proposed the development of a United States Service Conference. Here is a quote from the flyer that was circulated around the country. "We propose to offer the Fellowship the opportunity to establish a United States Service Conference [USSC] that can meet the needs of the US Fellowship, based on the spiritual Principles of the Twelve Traditions, primarily Group Conscience". If a USSC was established, to mention a few of the ideas being discussed, it could have provided a focal point for coordinating efforts to carry the message throughout the Nation. The possibilities existed for a national toll-free helpline number, instead of the hundreds of helplines that are now being funded. The Federal Bureau of Prisons, would have had a single place to contact NA for assistance with meetings held by and for incarcerated addicts. The list of possibilities was extensive. Nevertheless, when the idea reached the Trustees this is what they published in Volume 9 Issue 2 of "NAWS NEWS" in February 2011. "Since this event is not being coordinated by any duly elected representative or by any registered area, region, or zone, we are not really comfortable commenting.... A United States conference is not an idea that we believe will help us better achieve our primary purpose..." It appears they were not really that uncomfortable, doing something that once again benefited them as Trustee, without regard for the beneficiary. Drug overdose deaths rose from 38,329 in 2010 to 70,237 in 2017. Imagine if a USSC had been created in 2012 how that trend might have been different, and thousands of lives saved from the scourge of active addiction.

Just as members of Congress saw that something needed to be done with regards to the 25<sup>th</sup> Amendment, the members of ARNA have positioned themselves to be a "special interest" like no other that has to call into question the actions of the FIPT Trustee, in an effort to better carry the message to the addict that still suffers. We were omitted from crafting the FIPT, we have first-hand knowledge of abuses to the Trust, we are victims of the Trustees actions to be excluded from participating in the WSC, and we believe we might be the only entity that's willing and capable to give a voice to the voiceless member that has yet to find Narcotics Anonymous.

Thank you

July 21, 2020