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Ms. Sheila Holland  
CoDA Board Legal Liaison  
94 Wason Street  
Medford, MA 02155-1038

Re: CoDA/CoRE/World Services

Dear Sheila:

It is my understanding that the CoDA National Service Conference has appointed an Ad Hoc Committee to investigate the legal relationship between Co-Dependents Anonymous, Inc. ("CoDA"), and Co-Dependents Anonymous World Service, Inc. ("CoDA World Service, Inc"). To that end, you recently forwarded to me an email raising various questions as to the legal relationships of the various entities to which I will strive to respond in this letter. The question you posed and my responses are as follows:

1. *Is CoDA World Service a subsidiary of CoDA?* CoDA World Service, Inc. is *not* a subsidiary of CoDA. A subsidiary corporation is a corporation the stock in which is owned by another corporation known as the "parent corporation". In fact, there is no direct legal relationship of which I am aware between CoDA and CoDA World Service, Inc.

As I understand the evolution of CoDA World Service, Inc., the World Services Organization was initially a subcommittee formed within CoDA to foster and promote CoDA outside the United States. In 1995, certain dissident members of the Board incorporated CoDA World Services, Inc. I do not know what state it was incorporated in nor am I aware that it is a nonprofit corporation or one recognized by the IRS as a 501(c)(3) corporation. Although it identifies its address in Georgia, I could find no record of the corporation with the Georgia Secretary of State. It is conceivable that it was incorporated in another state. I am unaware of whether CoDA supported the incorporation of CoDA World Service, Inc. or whether it had any say in the incorporation of that entity/

I am unaware of any need for a separate legal entity in the form of CoDA World Service, Inc. My perception, at least from afar, is that CoDA World Service, Inc. is a splinter group of

former CoDA directors providing essentially parallel services. I note in reviewing the CoDA World Service, Inc. web page (in particular, a recent letter from its treasurer), that CoDA World Service, Inc. receives literature royalties from CoRE literature purchased by groups outside the United States. If CoDA's intent is for CoDA World Service, Inc. to administer CoDA functions outside the United States while CoDA administers them inside, there may exist some value in CoDA World Service, Inc. Short of that, however, I have never understood why CoDA needs CoDA World Service, Inc. or why it has licensed publication rights to it.

Insofar as the legal relationships, I am privvy to no written contracts. They may exist but I have never seen any written contracts or license agreements. The National Service Conference (i.e., the voice of the membership that guides the Board) may have delegated certain responsibilities or granted certain licenses to CoDA World Service, Inc., however, I have nothing in writing to substantiate that.

Any delegation of authority is typically revocable unless there is a written contract for a term of a certain number of years. Therefore, unless there exists some written contract between CoDA and CoDA World Service, Inc, the only legal rights CoDA World Service, Inc. has derives from the revocable authority delegated to it by the CoDA National Service Conference. It has no other legal interest in or authority over CoDA.

The same generally holds true with respect to CoDA Resource Publishing, Inc., (“CoRE”) except it is my understanding that there does exist a contract between CoRE and CoDA although, again, I have not been favored with a signed copy of that contract. In 1996, I was provided a copy of a *draft* of a CoDA/CoRE Service Contract pursuant to which CoDA intended to contract with CoRE to publish, market and distribute CoDA Conference approved literature. Assuming that contract, or some variation on that contract was signed, the contract defines the relationship between CoDA and CoRE. Otherwise, there is no legal relationship between the two independent companies and CoRE exists independently of CoDA. CoRE is not a subsidiary of CoDA nor is CoDA a subsidiary of CoRE.

2. Who is the parent organization? Technically there is no parent corporation as no corporation has an ownership interest in any of the other corporation. The only corporation that has direct ties with the National Service Conference is CoDA. As discussed above, both CoDA World Service, Inc. and CoRE have power, duties, and legal rights only to the extent that same has been conferred upon it by either the CoDA Board (through entering contracts) or the National Service Conference (through the formal or informal delegation of duties). All such rights, however, unless in writing to the contrary, are terminable at will by CoDA.

3. Provide a copy of CoDA, Inc. 's incorporation papers. Enclosed with the hard copy of this letter is a copy of the Articles of Incorporation of CoDA. Of note, the Articles do not define its Membership but rather authorize the Board to govern and to pass Bylaws intended to govern the Corporation. It is the Bylaws passed by the Directors therefore that provide the most significant guidance as to the governance of the corporation. Bylaws were initially passed, as I understand it, in the 1980s and they were amended by the Board in September, 1996. A copy of those Bylaws is enclosed with the hard copy of this letter for your consideration.

4. *Can I provide a copy of CoDA World Service's Articles of Incorporation?* I cannot provide a copy of the Articles of Incorporation or any other corporate documents of CoDA World Service, Inc. as I have never received them. You then ask what legal recourse do you have to obtain a copy of such papers. The answer to that is that you have no legal right to receive those materials because CoDA has no ownership interest in CoDA World Service, Inc. That company is independently owned. You do however have significant leverage through CoDA's licensing and contract rights. That is, CoDA has the right to refuse to acknowledge CoDA World Service, Inc. and has the right to revoke any licenses or the delegation of any authority *unless* it accedes CoDA's request to produce copies of its corporate documents. If it refuses, CoDA can refuse to continue its relationship with CoDA World Service, Inc. (subject, of course, to any written continuing commitments in writing which are binding in nature). It would be advisable for counsel to review any written agreements if they exist before taking any action along these lines.

In the final analysis, absent the existence of binding contracts which would serve to define the exact relationship between the parties and as well define the term of any such relationship, the relationship between CoDA and CoDA World Service, Inc. is an independent, arms-length relationship which can be terminated by either party at will.

I am hopeful that this letter is responsive to the inquiries of the Ad Hoc Committee. If I can be of further assistance or should you require further clarification regarding the foregoing, please feel free to contact to me.

Very truly yours,

ALVAREZ & GILBERT

John T. Gilbert

JTG:ndk  
Enc.