

ALASKA BAR ASSOCIATION

2004 Annual Report



THE ALASKA BAR ASSOCIATION

2004 Board of Governors

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Deborah C. Ricker, Discipline Investigator/Paralegal
JoAnne Baker & Ingrid Varenbrink, Arbitration/Discipline/CLE Library
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Annette Ravithis, Discipline Secretary

Introduction & Overview

In 2004, the Alaska Bar Association had 3,680 members in the following categories: Active, 2,839 (2,316 In-state and 523 Outside); Inactive, 756; Honorary, 1; and Retired, 84. Its affairs are governed by a 12-member Board of nine attorneys and three non-attorney citizens. A (non-voting) New Lawyer Liaison also advises the Board.

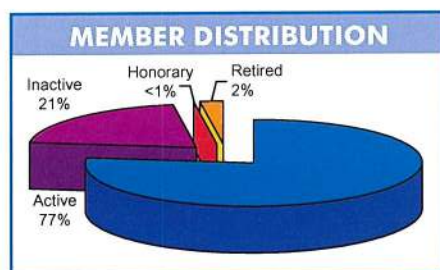
Written guidelines for governance are contained in the Integrated Bar Act, the Alaska Bar Rules (promulgated by the Supreme Court of Alaska), the Alaska Rules of Professional Conduct, the Association's Bylaws and Regulations, the Board of Governors' Policy Manual, and a Personnel Manual.

The two most important functions of the Bar are the admission and discipline of its members, both of which are carried out under the supervision of the Supreme Court of Alaska.

There are presently 9 standing committees, 23 sections, 5 bar rule committees, and special committees as appointed by the Board. In

addition, the Bar Association participates in a number of adjunct organizations and administers special projects, such as the Statewide Lawyer Referral Service. More than half of the membership participates, voluntarily and without remuneration, in the affairs of the Association.

The staff of the Alaska Bar has grown from a part-time, volunteer executive secretary when it was founded in 1968, to 17 employees.



The Association is primarily funded by its membership's annual dues; continuing legal education programs; admissions; the annual convention; the Lawyer Referral Service; and interest income. The Association received no public monies in the 2004 fiscal year.

Principal Activities

• Bar Examination

The Alaska Bar Examination is conducted twice annually in Anchorage, Fairbanks, Juneau, and Ketchikan and in such other locations as the Board may direct. It consists of: 1) one day of essay questions on Alaska law prepared by a permanent committee of the Association known as the Alaska Law Examiners; 2) two half-days of objective, multiple choice questions (the Multistate Bar Examination or "MBE"),

| 2001 - 2004 Bar Exam Results | | | |
|------------------------------|---------------------------|--------|-----------|
| Date | Applicants | Passed | Pass Rate |
| July 2004 | 61 | 43 | 70% |
| | 52 1 st timers | 40 | 77% |
| Feb. 2004 | 56 | 37 | 66% |
| | 31 1 st timers | 27 | 87% |
| July 2003 | 86 | 51 | 59% |
| | 63 1 st timers | 44 | 70% |
| Feb. 2003 | 53 | 27 | 51% |
| | 31 1 st timers | 25 | 81% |
| July 2002 | 60 | 31 | 52% |
| | 42 1 st timers | 23 | 55% |
| Feb. 2002 | 35 | 20 | 57% |
| | 23 1 st timers | 14 | 61% |
| July 2001 | 57 | 36 | 63% |
| | 49 1 st timers | 35 | 71% |
| Feb. 2001 | 50 | 38 | 76% |
| | 33 1 st timers | 28 | 85% |

“ The two most important functions of the Bar are the admission and discipline of its members, both of which are carried out under the supervision of the Supreme Court of Alaska. ”

Admissions

All applicants are required to attend a course on ethics as prescribed by the Board prior to admission. The three-hour course is offered twice a year, live in Anchorage, Juneau and Fairbanks. Applicants may watch the course on videotape if they cannot attend one of the live programs.

All applicants must also submit an affidavit that they have read and are familiar with the Alaska Rules of Professional Conduct. (Bar Rule 64)

prepared by the National Conference of Bar Examiners (NCBE) and administered simultaneously in more than 40 states; and 3) a half day of the performance test (the Multistate Performance Test of "MPT") prepared by NCBE.

In addition, a Multistate Professional Responsibility Exam (MPRE) is given separately three times a year (March, August, November).

In 2004, 117 individuals took the Bar Exam and 80 passed the exam.

ADMISSION WITHOUT EXAMINATION

Bar Rule 2, section 2 provides an admission without examination rule, with reciprocity provisions. An applicant who has taken a written bar exam in a reciprocal jurisdiction and has engaged in the active practice of law for five of the previous seven years may be eligible for reciprocal admission.

In 2004, 30 applicants were admitted without examination.

• Discipline of Members

The Alaska Supreme Court has held that an attorney's license to practice law is "a continuing proclamation by the Court that the holder is fit to be entrusted with professional and judicial matters...as an officer of the courts." Investigation and recommendations for professional conduct matters have been delegated by the Court to the Bar Association.

Expenditures for the Discipline Section totaled \$603,536 during 2004, a substantial allocation of Bar Association

resources for the protection of the public's interests and the administration of justice through the attorney discipline process.

SUMMARY OF PUBLIC DISCIPLINE ACTIONS IN 2004

The Alaska Supreme Court suspended Gary G. Foster for three years, one of which was stayed, on conditions effective March 6, 2004. If Mr. Foster is reinstated, he must serve a one year probation with conditions.

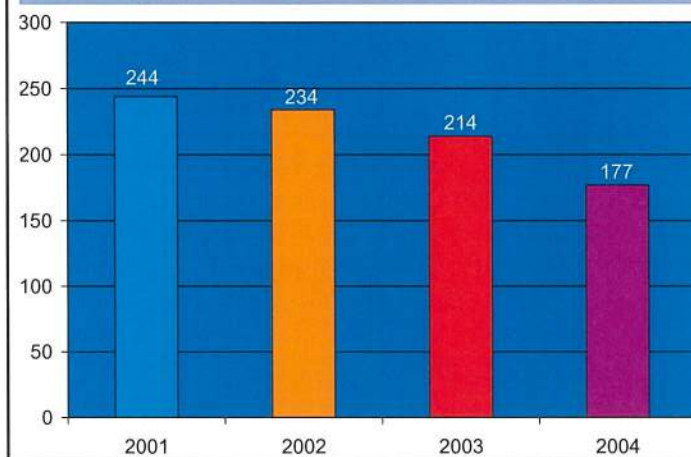
The Court reciprocally suspended William S. Labahn for 60 days effective April 12, 2004 based on discipline imposed on Mr. Labahn by the Supreme Court of Oregon. Mr. Labahn was later automatically reinstated by the Alaska Supreme Court effective August 9, 2004.

2004 Grievances

The number of grievance matters received declined again in 2004, with 177 received by the Bar.

| | |
|--|-----|
| New Cases Opened | 31 |
| Grievances Not Accepted for Investigation..... | 146 |
| 2004 Grievance Volume Total | 177 |

GRIEVANCE VOLUME 2001 - 2004



Discipline Case Statistics¹

2002-2004

| | 2002 | 2003 | 2004 |
|---|----------------|-------------------|------|
| Open cases pending as of Jan. 1, 2004 | 88..... | 106..... | 83 |
| New cases opened in 2003 (+)..... | 42..... | 25..... | 31 |
| TOTAL open cases..... | 130 ... | 131... 114 | |

Cases closed in 2004

| | | | |
|--|---------|---------|----|
| Closed after disbarment by Supreme Court..... | 5..... | 17..... | 0 |
| Closed after suspension by Supreme Court..... | 6..... | 1..... | 10 |
| Closed after probation ended | 0..... | 0..... | 0 |
| Closed after public censure by Supreme Court.... | 0..... | 1..... | 1 |
| Closed after reprimand publicly imposed by Disciplinary Board..... | 0..... | 2..... | 0 |
| Closed after reprimand privately imposed by Disciplinary Board..... | 0..... | 0..... | 1 |
| Closed after written private admonition by Bar Counsel | 0..... | 0..... | 2 |
| Dismissed by Bar Counsel | 13..... | 26..... | 36 |
| Closed after mediation..... | 0..... | 1..... | 1 |

TOTAL closed cases (-)24 48..... 51

Open cases pending

as of Dec. 31106 83 63

¹ All numbers reflect individual grievances filed and not the number of attorneys involved.

Status of Open Cases as of December 31

| | 2002 | 2003 | 2004 |
|--|-----------------|----------------|-----------|
| Pending First Response from Respondent Attorney | 6..... | 3..... | 7 |
| Pending Complainant's Reply..... | 4..... | 3..... | 1 |
| Pending Second Response from Respondent Attorney | 1..... | 0..... | 7 |
| Pending Bar Counsel Investigation/Decision..... | 67..... | 62..... | 32 |
| Abeyance Pending Outcome of Related Court Case..... | 2..... | 2..... | 2 |
| Pending Mediation | 1..... | 1..... | 0 |
| Abeyance Pending Outcome of Fee Arbitration..... | 0..... | 0..... | 0 |
| Pending Approval to Issue Written Private Admonition | 0..... | 0..... | 0 |
| Pending Acceptance of Written Private Admonition by Respondent Attorney | 0..... | 0..... | 1 |
| Pending Approval to File Petition for Formal Hearing..... | 0..... | 0..... | 5 |
| Pending Stipulation for Discipline between Bar Counsel and Respondent Attorney..... | 0..... | 2..... | 0 |
| Pending Stipulation Consideration by Disciplinary Board ... | 0..... | 0..... | 0 |
| Pending Stipulation Consideration by Supreme Court..... | 0..... | 0..... | 0 |
| Pending before Area Hearing Committee..... | 7..... | 1..... | 0 |
| Pending before Disciplinary Board..... | 17..... | 2..... | 2 |
| Pending before Supreme Court | 0..... | 6..... | 5 |
| Respondent Attorney on Probation | 1..... | 1..... | 1 |
| TOTAL open cases..... | 106..... | 83..... | 63 |

The Court reciprocally suspended Mitchel J. Schapira for one year with all but 30 days stayed with conditions effective August 11, 2004 based on discipline imposed on Mr. Schapira by the Supreme Court of California.

The Court imposed a public censure on Randall W. Patterson effective July 22, 2004.

The Court suspended Mitchel J. Schapira for five years with two years stayed effective December 27, 2004. If Mr. Schapira seeks reinstatement, he must meet conditions and,

“The Bar Association, under the Alaska Bar Rules, maintains an Attorney Fee Dispute Review Committee to hear fee disputes between attorneys and clients.”

if reinstated, will be on probation for the remaining period of stayed suspension. This suspension was imposed for different misconduct, but will run concurrently with the reciprocal suspension reported above.

SUMMARY OF REINSTATEMENT ACTIONS, 2004

The Alaska Supreme Court granted Jody W. Sutherland's petition for automatic reinstatement on June 1, 2004; and William S. Labahn's petition for automatic reinstatement on August 9, 2004.

The Court rejected Jon E. Wiederholt's second application for reinstatement from disbarment on April 23, 2004. His petition for re-hearing was denied June 22, 2004.

SUMMARY OF DISABILITY ACTIONS IN 2004

The Rules of Disciplinary Enforcement also anticipate circumstances where the need for protection of the public arises from mental or physical infirmity, illness, or addiction to controlled substances.

There were no disability transfers in 2004.

• Attorney Fee Dispute Review Committee

The Bar Association, under the Alaska Bar Rules, maintains an Attorney Fee Dispute Review Committee to hear fee disputes between attorneys and clients where such disputes have not been determined by statute, court rule, or decision. Five subcommittees residing in Ketchikan, Juneau, Anchorage, Kenai and Fairbanks comprise the Committee. Each subcommittee consists of a "pool" of attorney and non-

2002 - 2004 Fee Arbitration Statistics

| | 2002 | 2003 | 2004 |
|--|------|------|------|
| Arbitrations pending January 1 | 32 | 37 | 33 |
| Arbitrations opened during year (+) | 55 | 58 | 39 |
| Arbitrations closed during year (-)..... | 50 | 62 | 51 |
| Arbitrations pending Dec. 31 year-end | 37 | 33 | 21 |

attorney members who serve for three years on a volunteer basis. From these subcommittees, a panel of two attorneys and one non-attorney is convened to hear a fee dispute. If the amount in dispute is \$5,000 or less, a single panel member hears the matter.

• Lawyers' Fund for Client Protection Committee (LFCP)

The Bar Association maintains a fund for the purpose of reimbursing attorneys' clients who have suffered non-insured losses of money, property, or other things of value as a result of dishonest conduct by attorneys. Dishonest conduct is defined as acts of embezzlement, wrongful taking, or conversion of money, property, or other things of value. The

2004 LFCP Actions

| Case Number | Reimbursement(s)* Paid by Board (\$) | Reimbursement(s) Rejected by Board (\$) | Reimbursement(s) Rejected by LFCP Committee (\$) |
|---------------|---|---|--|
| 2003L002 | \$12,500 | | |
| 2003L003 | \$3,500 | | |
| 203L004 | | | \$3,633 |
| 2002L004 | \$46,119.35 | | |
| 2000L002 | \$10,208.25 | | |
| Totals | \$73,327.60 | | \$3,633 |

*These figures reflect reimbursements from the Fund which may be less than the amount requested by the claimant.

monies of the Fund come from yearly assessments on active members, paid concurrently with membership dues, as well as interest earned on the Fund balance.

At the close of 2004, two (2) claims were pending before the LFCP committee; the committee took actions on five claims during the year.

• Continuing Legal Education (CLE)

The Continuing Legal Education Committee and the Association's Director of Continuing Legal Education are responsible for presenting and administering all CLE programs and activities.

In addition, the substantive law sections of the Bar Association are responsible for sponsoring a minimum of one

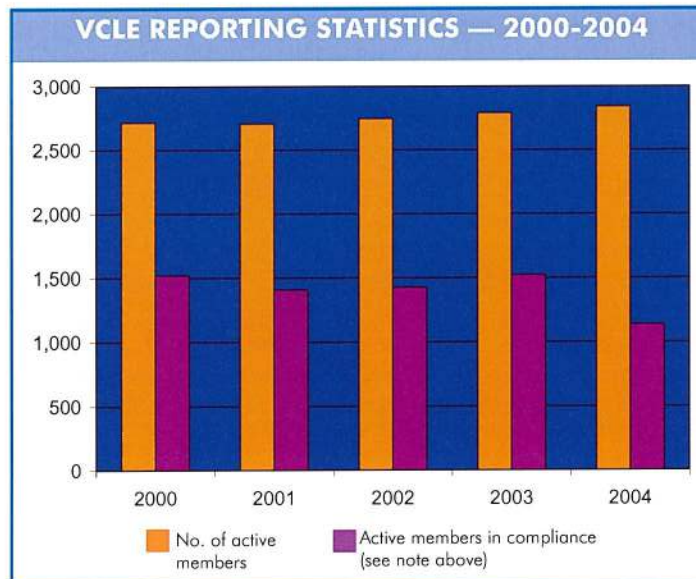
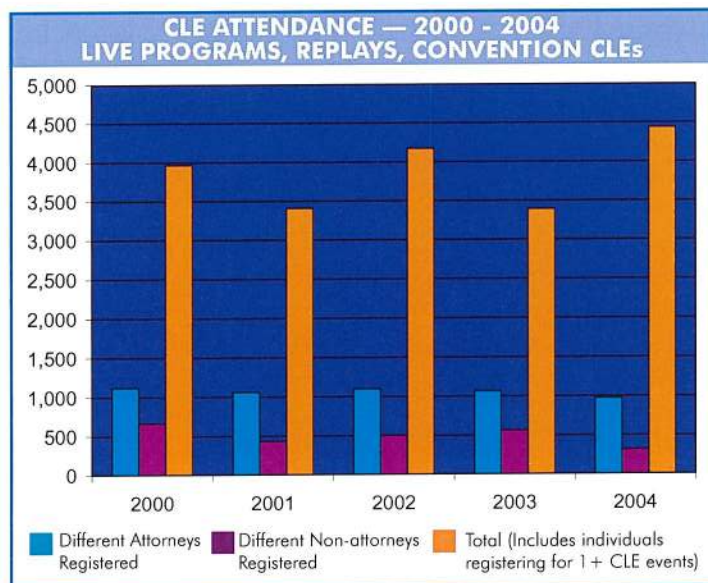
CLE seminar every two years. In 2004 there were 23 active substantive law sections, with a total membership of 963 for all sections.

• Voluntary Continuing Legal Education (VCLE)

The Voluntary CLE Rule, a 3-year pilot project, became effective on September 2, 1999 and recommended a minimum of 12 hours of approved CLE credit (including one in Ethics) each calendar year.

This incentive-based VCLE rule was proposed by the Alaska Supreme Court in response to the Mandatory CLE rule proposed by the Alaska Bar. Those members complying

Note: These compliance numbers include members who did not turn in a form, but were nonetheless in compliance because they had adequate credits carried forward from the prior reporting year.



VCLE Outreach

To reach attorneys practicing outside of Anchorage, 3 communities participate as video replay sites, receiving full audio-video presentations and CLE course materials. These sites are Juneau, Fairbanks, and Kenai. Any community in Alaska may also request the scheduling of a group video replay.

The Alaska Bar CLE program also continues to work with Seattle University School of Law and the University of Alaska Anchorage to present videoconference CLEs in Alaska. The Bar has also partnered with the American Law Institute-American Bar Association (ALI-ABA) based in Philadelphia to offer their live satellite-delivered CLEs at KAKM's studios in Anchorage.

“At the end of 2004, 78 attorneys were enrolled in 31 practice categories in the Lawyer Referral Service, with total referrals of 3,687 — a 20% decline from the 4,585 referrals in 2003.”

with the VCLE rule receive a discount on Bar dues, may participate in the Lawyer Referral Service, and have their names published in an annual list of those who have met the Supreme Court's recommended guidelines.

The compliance or non-compliance with the VCLE rule may be taken into account in a disciplinary matter related to competency of an attorney.

The Board of Governors voted in 2003 to revise the reporting procedure for bar members, and members now indicate on their Bar dues statement whether or not they have completed the minimum CLE hours and are in compliance with the VCLE Rule.

The Alaska Bar compiles member participation statistics and presents the information to the Supreme Court. The 3-year VCLE Rule pilot project ended in 2002. However, to date, the Supreme Court has not made any changes to the VCLE Rule, and the Rule continues to be in effect.

2002 - 2004 CLE PROGRAMS SUMMARY

| | 2002 | 2003 | 2004 |
|-------------------------------|------|------|------|
| Topics | 24 | 23 | 18 |
| Live Bar Programs | 33 | 25 | 20 |
| Mandatory Ethics* | 2 | 2 | 4 |
| Convention CLE Programs | 16 | 10 | 13 |
| Video Replays | 59 | 62 | 36 |
| Satellite Seminars | 0 | 1 | 3 |

*Mandatory Ethics: A Short Course on Discipline and Fee Arbitration Procedures in Alaska" is presented in group video format twice in the spring and twice in the fall.

Total Lawyer Referrals

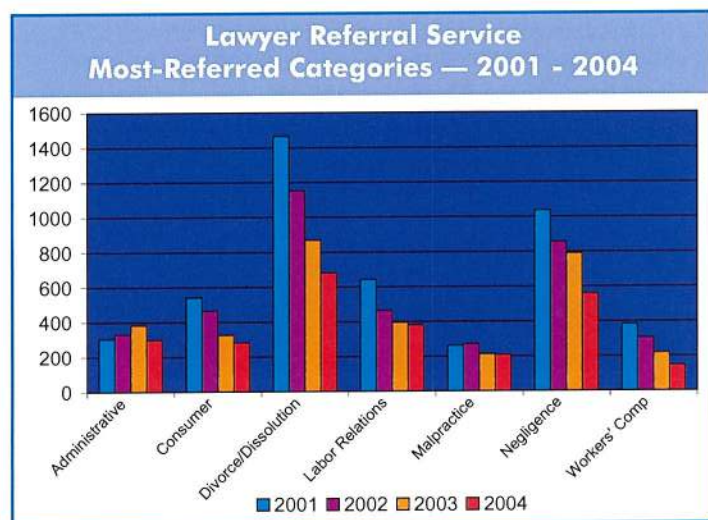
| | 2001 | 2002 | 2003 | 2004 |
|-----------------------------|--------------|--------------|--------------|--------------|
| Administrative | 303 | 331 | 382 | 396 |
| Admiralty | 15 | 16 | 19 | 17 |
| Adoption | 54 | 27 | 34 | 34 |
| Alaska Native Law | 19 | 11 | — | — |
| Arts | 4 | 9 | — | — |
| Bankruptcy | 138 | 122 | 108 | 110 |
| Commercial | 299 | 185 | 148 | 123 |
| Construction | 42 | 36 | 14 | 37 |
| Consumer | 542 | 464 | 326 | 356 |
| Criminal: Felony | 214 | 144 | 130 | 127 |
| Criminal: Misdemeanor | 284 | 260 | 162 | 143 |
| Discrimination | 44 | 56 | 66 | 13 |
| Divorce/Dissolution/Custody | 1466 | 1153 | 869 | 907 |
| Eminent Domain | 1 | 2 | — | — |
| Environmental | 4 | 2 | — | — |
| Foreign Language | 2 | 3 | — | 2 |
| Guardian/Conservator | 37 | 29 | — | 33 |
| Immigration | 2 | 41 | 25 | 70 |
| Insurance | 102 | 89 | 87 | 88 |
| Labor Relations | 642 | 464 | 395 | 488 |
| Landlord/Tenant | 296 | 215 | 161 | 182 |
| Malpractice | 261 | 271 | 212 | 276 |
| Military | 27 | 0 | — | — |
| Mining | — | — | — | — |
| Negligence | 1037 | 856 | 791 | 794 |
| Patent/Copyright | 43 | — | — | — |
| Public Interest | 1 | 5 | 8 | 4 |
| Real Estate | 231 | 230 | 206 | 281 |
| SSI Cases | — | 18 | 28 | 82 |
| Tax | — | 34 | 8 | — |
| Traffic | 57 | 24 | 8 | 4 |
| Trusts/Wills/Estates | 211 | 171 | 167 | 187 |
| Workers' Compensation | 382 | 305 | 217 | 228 |
| | 6,760 | 5,573 | 4,585 | 4,982 |
| Change from previous year | -5% | -8% | -8% | +9% |

• Lawyer Referral Service

The Bar Association operates a statewide Lawyer Referral Service for the purpose of providing the general public with names of enrolled active members of the Alaska Bar Association who are in good standing and are willing and able to accept referral clients at a reasonable fee.

Each caller requesting services is given the names of three lawyers in his/her geographic area who are listed in the category requested. Each lawyer pays a \$4 surcharge to the Bar Association on each referral made, regardless of whether the caller actually contacted the lawyer as a result of the referral. The first half-hour conference may be charged at a maximum of \$50. Thereafter the fee is agreed upon by the attorney and the client.

At the end of 2004, 79 attorneys were enrolled in 31 practice categories in the Lawyer Referral Service, with total referrals of 4,982, a 9% increase from the 4,585 referrals in 2003.



• Pro Bono

The Bar Association added a new executive staff position, Pro Bono Director, to the organization in 2004. The Pro Bono Director works in partnership with Alaska's legal service providers, legal community, Pro Bono Services Committee of the Alaska Bar Association and greater communities in Alaska to promote, educate, recognize, and recruit attorneys and other professional services for volunteer service to low-income citizens. The program serves as an informational clearinghouse for the membership on volunteer opportunities, resources, contacts for legal service providers, training, and other volunteer support services.

In 2004, the Pro Bono Director or Bar President traveled to seven communities as an outreach function and to increase volunteerism in smaller communities. The Pro Bono Director made presentations to 19 of the 23 substantive law sections, six community group presentations, and two swearing-in ceremonies to further establish the need for civil justice representation to Alaska's nearly 80,000 low-income citizens.

• Committees of the Alaska Bar

Substantial work is accomplished through the extensive committee structure of the Alaska Bar Association.

Governance is structured around the Board of Governors and its three major committees, with administrative and day-to-day activity as the responsibility of the Executive Director and staff.

Committees of the Bar include:

- The Bar Rules Committees, which include the Committee of Law Examiners; Area Disciplinary Hearing Committees; the Mediation Panel; the Attorney Fee Dispute Review

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“The Alaska Bar Association cooperates, partners, and supports with its membership a number of programs related to the Alaska legal and justice systems.”

Committees; the Lawyers' Fund for Client Protection Committee; and Admission Waiver Programs.

- The Standing Committees, including Bar Polls and Elections; Continuing Legal Education; Ethics; Bar Historians; Law Related Education; Pro Bono Services; Lawyers' Assistance; Judicial Independence and Alaska Rules of Professional Conduct.
- The Substantive Law Sections, comprised of 23 peer groups practicing in specific areas of the law.

Members and chairs of these committees and sections are found in the appendices.

Membership Services

In addition to services associated with CLE and other activity areas, the Bar Association provides other programs that assist members of the Bar in their practices. Complete information about these as well as other Bar programs and services can be found on the Bar's website, www.alaskabar.org.

Some of these include:

- **ALPS (Attorney Liability Protection Society).** The Alaska Bar Association is a member of a multi-state, lawyer-owned insurance company. Membership in ALPS increases the availability of coverage to Alaska lawyers at rates that are predictable and which avoid dramatic fluctuations caused by policies and practices over which the lawyers have no control.
- **Computerized Legal Research.** The Bar Association sponsors a group program to provide members with access to LEXIS, a computer-assisted legal

research service. Participating firms pay a \$25 monthly subscription fee. Additionally, all members' use of LEXIS aggregates to take advantage of volume discounts.

- **Loislaw.** Loislaw is in the process of making selected Alaska Bar CLE materials searchable with clickable case links available on the Loislaw website. This CLE materials enhancement will be available from Loislaw for a subscription fee of \$120 per year (\$10 per month) for Bar members. The launch date is anticipated in 2005.
- **Free Downloading of Alaska Bar CLE Materials:** All Alaska Bar CLE materials 2 years old or more are available on the Bar website for free downloading. These materials are not searchable or linked.
- **Group Insurance.** The Bar Association sponsors a life insurance program for Bar members with States West Life Insurance Company. All members of the Association and employees of their firms are eligible. The Bar Association also sponsors a group medical program. Medical, dental, vision, life and disability coverage are available to firms ranging in size from sole practitioners to those with more than 100 employees. The plan is underwritten by Blue Cross of Washington and Alaska. The Bar Association also sponsors a disability insurance program offered by Unum/Provident Insurance Co.
- **The Alaska Bar Rag.** The official publication of the Bar Association is the Alaska Bar Rag, which is published quarterly. The editor is Thomas V. Van Flein.
- **E-News.** This weekly e-mail newsletter goes to all members for whom the Bar has e-mail addresses, and contains announcements about Bar Association activities, court news, and other timely items of interest.

- **Unreported Court Opinions Database:** The Bar maintains a searchable database of unreported court opinions on the Bar website.
- **Section News.** This newsletter is sent via e-mail monthly and goes to all substantive law section members for whom we have an e-mail address. Members for whom the Bar does not have an e-mail address receive a copy via regular mail. Section News contains notices of section meetings, CLE seminars, and information on new case law.
- **Ethics Opinions.** All Alaska Bar Ethics Opinions are published in the Alaska Bar Rag and online at the Bar's website, www.alaskabar.org.
- **Public Copying Machines.** The Alaska Bar Association and the Alaska Court System are continuing a cooperative agreement to provide copying services in the Anchorage Law Library. The Alaska Bar Association has a service agreement with the Anchorage Bar Association for the purpose of providing copiers in the Anchorage Law Library for the use of all library patrons. The revenue is divided as follows: Alaska Court System 40%; Anchorage Bar Association 50%; Alaska Bar Association 10%.
- **Jury Instructions.** The Alaska Bar Association, in cooperation with the Alaska Court System, has sold copies of the Alaska Pattern Civil and Criminal Jury Instructions since 1984. Since 1994, the civil instructions have been offered for sale on disk.

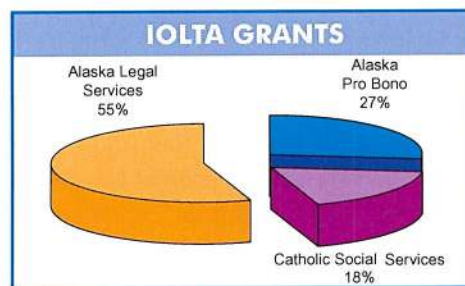
• Adjunct Involvement

The Alaska Bar Association cooperates, partners and supports with its membership a number of programs related to the Alaska legal and justice systems:

- **The Alaska Bar Foundation**, established in 1972 for the purpose of fostering and maintaining the honor and integrity of the profession, improving and facilitating the administration of justice, promoting the study of law and continuing legal education, administering loans and scholarships, and maintaining a law library and research center.
- **IOLTA** is an opt-out Interest on Lawyers Trust Accounts program for the placement of client trust money into interest-bearing accounts. The interest earned on each account is paid periodically to the Alaska Bar Foundation for its charitable and public service work.

In 2004, the IOLTA program earned \$81,532 from interest in 2004, and awarded grants totaling \$58,800.

Foundation grants included: \$15,876 to the Alaska Pro Bono Program; \$10,584 to Catholic Social Services; and \$32,340 to Alaska Legal Services Corp.



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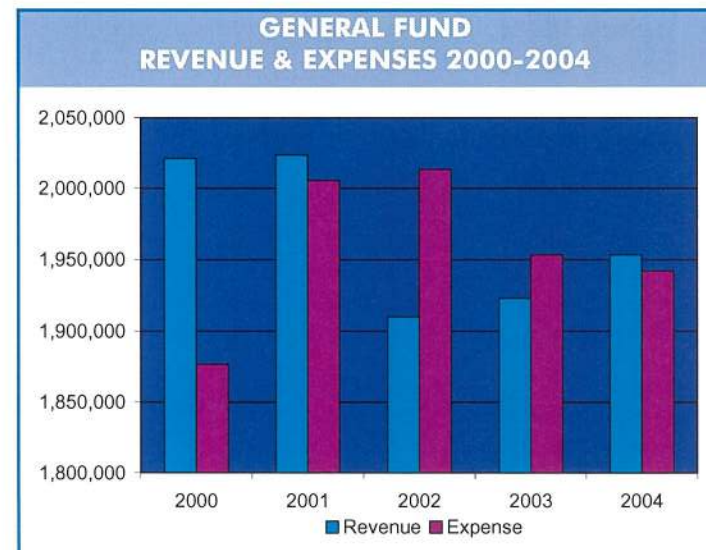
“ The 2004 financial reports reflect total revenue of \$1,953,228 with total expenses of \$1,942,042. The net gain of \$11,186 showed substantial improvement from the 2003 net loss of \$30,183. ”

- **Alaska Law Review**, edited by law students at Duke University School of Law in Durham, NC, includes articles by practicing attorneys, law professors, and notes and comments by Duke law students. The Bar publishes the Review semi-annually, for the education of the legal community. Bar members receive the publication as part of their Bar dues benefits.
- **Alaska Legal Services Corporation** provides legal assistance to persons lacking the financial capability to obtain private counsel.
- **Alaska Code Revision Commission**, established in 1976, reviews and recommends revisions to the laws of Alaska.
- **Alaska Commission on Judicial Conduct** includes three attorney members who have practiced law in the State for at least 10 years. They are appointed to the Commission by the Governor from recommendations submitted by the Board of Governors.
- **Alaska Judicial Council** includes three attorneys who serve staggered, six-year terms. The Council's purpose is to recommend candidates who are seeking judicial office and to conduct studies for the improvement of the administration of justice in Alaska.
- **Other Relationships.** The Bar Association maintains relationships with other, non-Alaskan organizations, usually with representation by a member of the Board of Governors or Bar executive staff. These include the American Bar Association, National Conference of Bar Presidents, Ninth Circuit Judicial Conference, National Association of Bar Executives, Association of Continuing

Legal Education Administrators, ORACLE, National Association of Bar Counsel, and Western States Bar Conference.

Financial Statements & Budget

The 2004 financial reports reflect total revenue of \$1,953,228 with total expenses of \$1,942,042. The net gain of \$11,186 showed substantial improvement from the 2003 net loss of \$30,183.

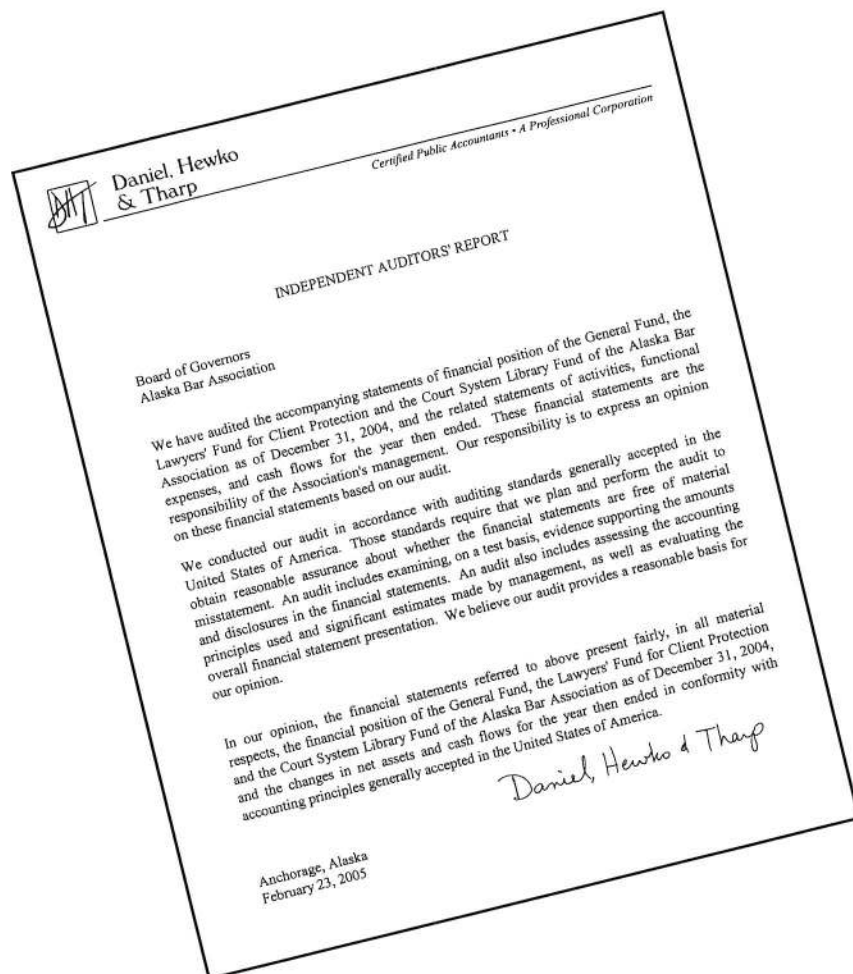


ALASKA BAR ASSOCIATION

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2004

| UNRESTRICTED NET ASSETS | General Fund | Lawyers' Fund for Client Protection | Court System Library Fund | Total All Funds |
|---|-----------------|--|------------------------------------|-----------------------|
| Revenue and Other Income | | | | |
| Dues | \$ 1,361,672 | \$ 28,032 | \$ - | \$ 1,389,704 |
| Admission fees | 146,175 | - | - | 146,175 |
| Continuing legal education | 102,121 | - | - | 102,121 |
| Lawyer referral fees | 51,816 | - | - | 51,816 |
| Annual meeting | 117,189 | - | - | 117,189 |
| Share from copiers | - | - | 5,719 | 5,719 |
| Rule 81 | 88,840 | 2,110 | - | 90,950 |
| Other | 53,917 | - | - | 53,917 |
| Gain from asset dispositions | 88 | - | - | 88 |
| Earnings on investments | 61,403 | 39,529 | 30 | 100,962 |
| Unrealized loss on investments | (29,993) | (22,447) | - | (52,440) |
| Total unrestricted revenue | 1,953,228 | 47,224 | 5,749 | 2,006,201 |
| Expenses | | | | |
| Admissions | 170,888 | - | - | 170,888 |
| Board of Governors | 33,637 | - | - | 33,637 |
| Discipline | 603,493 | - | - | 603,493 |
| Fee arbitration | 57,685 | - | - | 57,685 |
| Lawyer referral | 47,995 | - | - | 47,995 |
| Continuing legal education | 290,301 | - | - | 290,301 |
| Administration | 422,902 | - | - | 422,902 |
| Pro Bono | 53,136 | - | - | 53,136 |
| Voluntary CLE | 22,180 | - | - | 22,180 |
| Annual meeting | 105,871 | - | - | 105,871 |
| Claims awarded | - | 72,328 | - | 72,328 |
| Rule 31 Trustee Counsel | - | 438 | - | 438 |
| Research resources | - | - | 7,140 | 7,140 |
| Other | 133,954 | 300 | 12 | 134,266 |
| Total expenses | 1,942,042 | 73,066 | 7,152 | 2,022,260 |
| Increase (decrease) in unrestricted net assets | 11,186 | (25,842) | (1,403) | (16,059) |
| Net assets, beginning of year | 1,585,766 | 1,139,583 | 13,699 | 2,739,048 |
| Net assets, end of year | \$ 1,596,952 | \$ 1,113,741 | \$ 12,296 | \$ 2,722,989 |

The full Independent Auditor's Report and accompanying financial statements and notes are available for inspection at the Bar Association office.



APPENDIX A

Bar Bylaws and Rules Proposed, Added, Modified, or Repealed in 2004

Bylaws

Article VII, Section 1(a)

The Board amended Bylaws, Article VII, Section 1(a) to increase the fee for additional section membership from \$10 to \$15 effective January 16, 2004.

Article VII, Section 1(a)(1) & (2)

The Board amended Bylaws, Article VII, Section 1(a) & (2) to provide that both active and inactive members may be members of sections and to increase the fee for informational members to \$10 effective April 27, 2004.

Article III, Section 1(a)

The Board amended Bylaws, Article III, Section 1(a) on September 14, 2004 to increase the annual dues for active members to \$550 for the 2005 membership year.

Bar Rules

Rule 9(b)

The Alaska Supreme Court amended Bar Rule 9(b) effective October 15, 2004 to define the manner in which a member of the bar may fulfill the member's duty to assist members of the public in filing grievances.

Rule 15(b)-(c)

The Alaska Supreme Court rejected a proposed amendment to Bar Rule (b)-(c) regarding the definition of unauthorized practice of law for lawyers subject to practice restrictions. The proposal will be re-drafted.

Rule 30(g)

The Alaska Supreme Court amended Bar Rule 30(g) effective October 15, 2004 to set out the timeframes for consideration of a disability reinstatement matter.

Rule 40(r)

The Alaska Supreme Court amended Bar Rule 40(r) effective October 15, 2004 to permit the district court as well as the superior court to waive the confidentiality of a fee arbitration proceeding on motion.

Rule 2(3)(b)

The Alaska Supreme Court made a technical correction to Bar Rule 2(3)(b) effective November 15, 2004 by adding the word "and" between subparts (1) and (2) of Section 3 to make it clear that both subparts are required for an individual to be eligible to take the bar examination as a general applicant.

Alaska Rule of Professional Conduct 1.15(e)

The Alaska Supreme Court amended Alaska Rule of Professional Conduct 1.15(e) effective October 15, 2004 to require lawyers to indicate on their annual dues notice whether the lawyer or the lawyer's firm maintains an IOLTA trust account, elects not to maintain an IOLTA trust account or does not maintain a trust account (because the lawyer is a judge, public lawyer, in-house counsel, etc.) Changes may be filed in writing at any time with the Bar Association.

Alaska Rule of Professional Conduct 1.2

The Alaska Supreme Court amended Alaska Rule of Professional Conduct 1.2 effective October 15, 2004 to permit lawyers to offer limited representation to clients (unbundled legal services) if the limitation is reasonable and to provide guidelines to opposing lawyers to assist them in determining when the client is represented by the lawyer offering limited representation. The Court also added an Alaska Comment to Alaska Rules of Professional Conduct 4.2 and 4.3 referring to Alaska Rule of Professional Conduct 1.2.

APPENDIX B

Bar Sections & Committees

Substantive Sections and Chairs, 2004

At the end of 2004 there were 23 active sections, including the newly established Health Law Section. One section was on inactive status. The Sections, Chairs, and Co-Chairs at the end of 2004 follow:

Administrative Law

Gayle Horetski

Admiralty Law

Steve Shamburek

Alaska Native Law

Natalie Landreth

Alternate Dispute Resolution

Glenn Cravez

Bankruptcy Law

Michelle Boutin & Gary Spraker

Business Law

Leonard Anderson & Krista Stearns

Corporate Counsel

Marc Bond & Marcia Davis

Elder Law

Kenneth Kirk

Employment Law

Barbara Jones & Tom Daniel

Environmental/Natural Resources Law

J.P. Tangen

Estate Planning/Probate Law

Jane Saver

Family Law

Lori Ann Colbert & SJ Lee

Gender Equality

Bob Bundy & Judge Patricia Collins

Health Law (new in 2004)

Joan Wilson

Immigration Law

Kathy Atkinson & Mara Kimmel

Intellectual Property Law

Jon Dawson

International Law

Andy Haas

Law & Community Health

Sara Acharya & Barbara Malchick

Municipal Law

Ann Broker & Rhonda Fehlan-Westover

Real Estate Law

Joan Travostino

Tax Law

Charles Schuetze

Torts/Personal Injury Law

Jim Leik

Workers' Comp

Joe Kalamarides

CLE Committee Members

June 30, 2003 - June 30, 2004

Fairbanks

James DeWitt, Chair 6/2005

Gail Ballou 6/2005

Paul Eaglin 6/2004

Alicia D. Porter 6/2004

Anchorage

Nora Barlow 6/2006

Jason Bergevin 6/2004

Young Lawyer Rep

Lea Filippi 6/2006

Bonnie Harris 6/2006

Thomas Hause 6/2005

Jim Stanley 6/2004

Herman Walker 6/2005

Juneau

Justice Walter Carpeneti,

Judicial Representative 6/2006

David Ingram 6/2006

Amy Gurton Mead 6/2005

Girdwood

Christine DeYoung 6/2005

Young Lawyer Rep

Bar Committees and Chairs

Alaska Bar Rag

Tom Van Flein

Alaska Rules of Professional Conduct

Bob Bundy

Bar Polls & Elections

Tim Middleton

Continuing Legal Education

James DeWitt

Ethics

Bob Mahoney

Historians

Leroy Barker

Judicial Independence

Susie Dosik

Law Examiners

Scott Taylor

Law Related Education

David Baranow

Lawyers Assistance

Vanessa White

Lawyers Fund for Client Protection

Paul Nangle

Pro Bono Service

Mara Kimmel



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