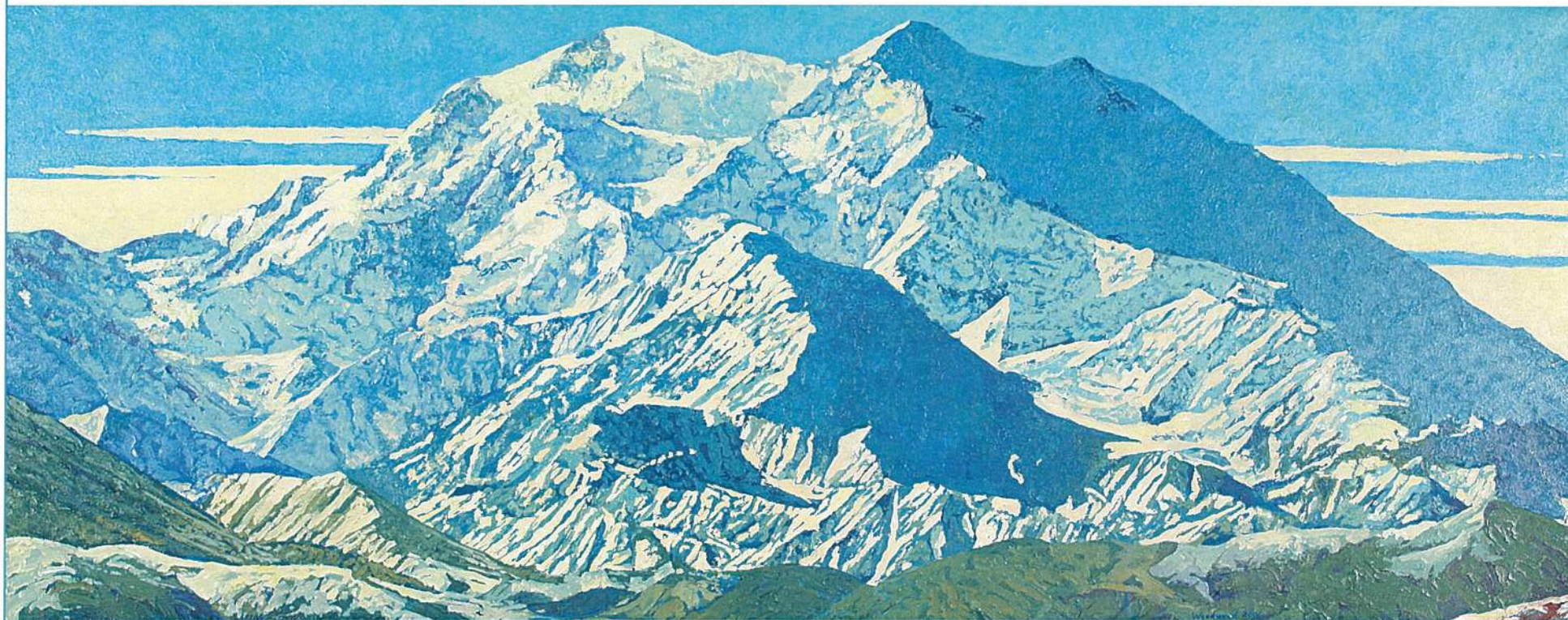


ALASKA BAR ASSOCIATION

2007 Annual Report



THE ALASKA BAR ASSOCIATION

2007 Board of Governors

Matthew Claman, President
Mitchell Seaver, President-Elect
William Granger, Vice President
Krista Stearns, Secretary
Sidney Billingslea, Treasurer
Chris Cooke
Ethan Falatko
Joe Faulhaber
Don McLean
Allison Mendel
John Tiemessen
Jason Weiner
Maude Blair (New Lawyer Liaison)

Staff

Deborah O'Regan, Executive Director
Barbara Armstrong, Assistant Director & CLE Director
Krista Scully, Pro Bono Director
Kristi Powell, Executive Assistant
Karen A. Schmidtkofer, Controller
Candice Goard Bryant, Accounting Assistant
Kara Bridge, CLE Coordinator
Devon Richardson, Admissions Assistant/Receptionist
Charissa Feltman, Lawyer Referral Assistant
Brent Reynolds, Webmaster & Network Technician
Jonathan Minton, CLE Assistant

Stephen J. Van Goor, Bar Counsel
Mark Woelber, Assistant Bar Counsel
Louise R. Driscoll, Assistant Bar Counsel
Deborah C. Ricker, Discipline Investigator/Paralegal
JoAnne Baker, Section Coordinator & Arbitration/Discipline/CLE Library
Ingrid Varenbrink, Arbitration/Discipline/CLE Library
Gail Welt, Executive Assistant
Annette Ravithis, Discipline Secretary

Introduction & Overview

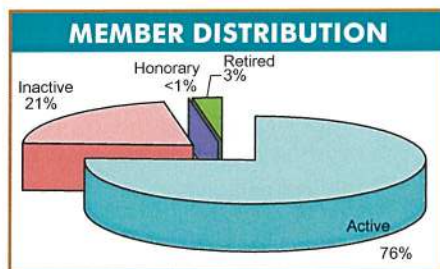
In 2007, the Alaska Bar Association had 3,865 members in the following categories: 2,931 Active (2,406 In-state and 525 Outside), 825 Inactive, 108 Retired, and 1 Honorary. Its affairs are governed by a 12-member Board of nine attorneys and three non-attorney citizens. A (non-voting) New Lawyer Liaison 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 19 employees.



The association is primarily funded by its membership's annual dues, continuing legal education program registration fees, admissions, the annual convention, the Lawyer Referral Service, and interest income. The Association received no public monies in the 2007 fiscal year.

Principal Activities

• Bar Examination

The Alaska Bar Examination is conducted twice annually in Anchorage, Fairbanks and Juneau. It consists of: 1) one day of essay questions on Alaska law prepared by a permanent

2003 - 2007 Bar Exam Results			
Date	Applicants	Passed	Pass Rate
July 2007	75	52	69%
	54 1 st timers	47	87%
Feb. 2007	54	26	48%
	24 1 st timers	17	71%
July 2006	82	52	63%
	64 1 st timers	46	72%
Feb. 2006	66	40	61%
	46 1 st timers	36	78%
July 2005	70	39	56%
	49 1 st timers	35	71%
Feb. 2005	62	44	71%
	50 1 st timers	39	78%
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%

“ 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.

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

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"), prepared by the National Conference of Bar Examiners (NCBE) and administered simultaneously in 48 states and D.C.; and 3) a half day of the performance test (the Multistate Performance Test or "MPT") prepared by NCBE.

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

In 2007, 129 individuals took the Bar Exam and 78 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 2007, 43 applicants were approved for admission 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 \$664,488 during 2007, a substantial allocation of Bar Association resources for the protection of clients, the public, and the legal system in Alaska.

2007 GRIEVANCES

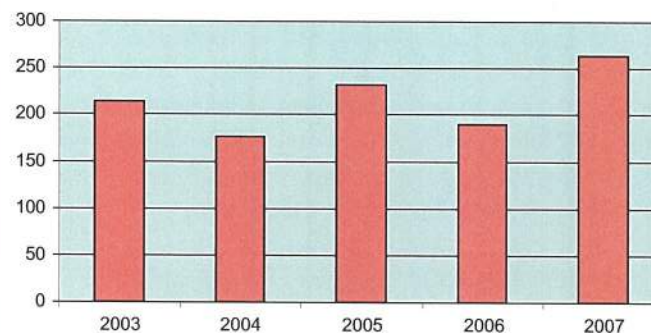
The Discipline Section processed 264 grievances in 2007, compared with 190 in 2006, representing a 39% increase. Summary statistical data related to discipline status are contained in the charts.

2007 Grievances

The number of grievance matters processed increased 39%

New Cases Opened	59
Grievances Not Accepted for Investigation.....	205
2007 Grievance Volume Total	264

GRIEVANCE VOLUME 2003 - 2007



Discipline Case Statistics¹

2003-2007

'03 '04 '05 '06 '07

Open cases pending as of Jan. 1..... 1068363 ... 6158

New cases opened in 2007(+).....253136 ... 43.....59

TOTAL open and new cases 131.. 114.... 99. 104.. 117

Cases closed in 2003-2007

Closed after disbarment by
Supreme Court..... 1703 0.....2

Closed after suspension by
Supreme Court..... 1103 7.....5

Closed after probation ended 000 0.....0

Closed after public censure by
Supreme Court..... 114 0.....1

Closed after reprimand publicly imposed
by Disciplinary Board 20 1 2.....1

Closed after reprimand privately imposed
by Disciplinary Board 010 2.....0

Closed after written private admonition
by Bar Counsel..... 023 4.....1

Dismissed by Bar Counsel263624 ... 31.....21

Closed after mediation..... 110 0.....0

TOTAL closed cases (-) 48.... 51 ... 38... 46.... 31

**Open cases pending
as of Dec. 31, 2007 8363 ... 61... 58.... 86**

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

Status of Open Cases as of December 31

'03 '04 '05 '06 '07

Pending First Response from Respondent Attorney 3 773 15

Pending Complainant's Reply 3 121 1

Pending Second Response from Respondent Attorney 0 700 2

Pending Bar Counsel Investigation/Decision 62 322523 33

Abeyance Pending Outcome of Related Court Case 2 299 9

Pending Mediation 1 000 0

Abeyance Pending Outcome of Fee Arbitration 0 000 0

Pending Approval to Issue Written Private Admonition 0 010 0

Pending Acceptance of Written Private Admonition by
Respondent Attorney 0 100 0

Pending Approval to File Petition for Formal Hearing 0 5810 11

Pending Stipulation for Discipline between
Bar Counsel and Respondent Attorney 2 000 0

Pending Stipulation Consideration by Disciplinary Board 0 060 0

Pending Stipulation Consideration by Supreme Court 0 000 3

Pending before Area Hearing Committee 1 005 0

Pending before Disciplinary Board 2 205 8

Pending before Supreme Court 6 521 3

Respondent Attorney on Probation 1 111 1

TOTAL open cases 83 63..... 61 58 86

SUMMARY OF PUBLIC DISCIPLINE ACTIONS IN 2007

- The Alaska Supreme Court disbarred William S. Labahn effective September 14, 2007 and Mitchel J. Schapira effective November 21, 2007.
- The Court suspended Larry A. Wiggins for 180 days with 90 days stayed on conditions effective June 25, 2007.
- The Court issued a public censure to Anthony L. Strong effective August 22, 2007.
- The Court intermily suspended Mark J. Avery effective April 17, 2007.
- The Disciplinary Board publicly reprimanded James A. Wendt effective October 26, 2007.

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

SUMMARY OF REINSTATEMENT ACTIONS IN 2007

A suspended or disbarred attorney may be reinstated by the Alaska Supreme Court, but only after the appropriate review procedures are followed.

The Court reinstated Eugene B. Cyrus effective March 23, 2007.

SUMMARY OF DISABILITY ACTIONS IN 2007

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.

Ronald W. Lorensen was transferred to disability inactive status due to a physical disability effective February 14, 2007. Unfortunately, Mr. Lorensen passed away on March 29, 2007. Clifford W. Holst was transferred to disability inactive status due to a physical disability effective March 30, 2007.

• The 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-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.

2003 - 2007 Fee Arbitration Statistics

	'03	'04	'05	'06	'07
Arbitrations pending January 1	37 ...	33...	21 ...	27 ...	26
Arbitrations opened during year (+)	58 ...	39...	60...	53 ...	58
Arbitrations closed during year (-)	62 ...	51 ...	54...	54 ...	51
Arbitrations pending Dec. 31 year-end	33 ...	21....	27 ..	26....	33

• The Lawyers' Fund for Client Protection Committee

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 fund also pays the cost of trustee counsel appointed by the superior court to close the practice of a deceased sole practitioner or a lawyer who has abandoned his or her practice. The 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 2007, four (4) claims were pending before the LFCP Committee. The Committee and the Board of Governors took action on 21 claims during the year.

2007 LFCP Actions

Case Number	Reimbursement(s)* Paid by Board	Reimbursement(s) Rejected by Board	Reimbursement(s) Rejected by LFCP Committee
2006L002	\$3,500.00		
2006L004	\$3,000.00		
2006L005	\$3,750.00		
2006L006	\$1,500.00		
2006L008	\$25,000.00		
2006L009	\$19,000.00		
2006L011	\$25,000.00		
2006L012	\$20,000.00		
2006L013	\$1,250.00		
2006L014	\$3,500.00		
2006L019	\$2,500.00		
2006L022			**\$750.00
2006L024			\$1,500.00
2007L001	\$2,000.00		
2007L002			\$6,500.00
2007L004			\$12,743.05
2007L005	\$2,500.00		
2007L006	\$11,235.00		
2007L007	\$2,000.00		
2007L008	\$1,000.00		
2007L010	\$500.00		
Totals	\$127,235.00		\$21,493.05

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

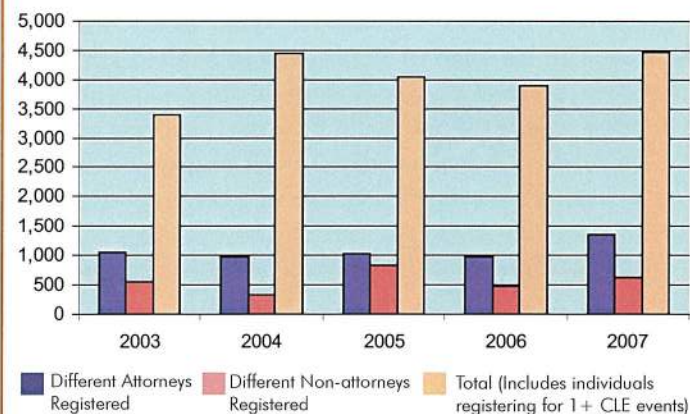
**Withdrawn when attorney agreed to pay claimant.

• Continuing Legal Education (CLE)

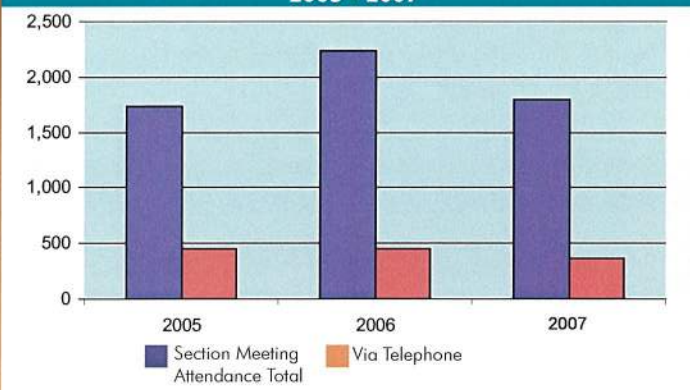
The Continuing Legal Education Committee and the Association's Director of Continuing Legal Education are responsible for presenting and administering all CLE programs and activities, including the CLE Library.

The substantive law sections of the Bar Association are responsible for sponsoring a minimum of one CLE seminar every two years. In 2007 there were 23 active substantive law

CLE ATTENDANCE — 2003 - 2007 LIVE PROGRAMS, REPLAYS, CONVENTION



SECTION MEETING ATTENDANCE 2005 - 2007



sections, with a total membership of 2033 for all sections, an increase of 608 members over 2006 membership.

The majority of live CLE programs are presented in Anchorage, which has the largest concentration of lawyers in the state. All of these programs are videotaped.

Alaska Bar CLE Attendance

Attendance at CLE programs totaled 2,110 (including 122 speakers), and 528 individuals attended one or more convention events.

Section Meeting Attendance

In addition, 1,439 attorneys attended in person and 359 participated by telephone in the Bar's substantive law section meetings. Attendance declined slightly in 2007 due to several sections opting to meet quarterly vs. monthly.

VCLE Compliance

A total of 1,096 active members of the Bar reported compliance with the VCLE Rule for the period of Jan. 1 - Dec. 31, 2007.

To provide CLE opportunities for attorneys practicing outside of Anchorage, the Bar has regularly scheduled video replays at law firms in Juneau, Fairbanks, and Kenai, as well having DVDs and CLE materials available for purchase through our online CLE Library Catalog. In 2006, the Bar began its partnership with the online CLE provider LegalSpan to develop online CLE seminars and live webcasting of selected programs. The Bar presented 10 live webcasts in 2007, and all of our videotaped live seminars are available 24/7 as online CLE through our online provider. The goal is to increase the number of programs we webcast live and to continue to add to our online CLE selections.

The Alaska Bar CLE program continues to work with Seattle University School of Law CLE and Summer Law School Programs. Faculty of the Seattle University's Summer Law Program at UAA meet with the Bar's substantive law sections, and section members make presentations to the law students enrolled in the program.

2003 - 2007 CLE PROGRAMS SUMMARY

	'03	'04	'05	'06	'07
Topics	23	18	29	26	30
Live Bar Programs	25	20	36	27	33
Mandatory Ethics*	2	4	5	5	4
Convention CLE Programs	10	13	9	14	10
Video Replays	62	36	42	40	11
Satellite Seminars	1	3	4	2	0
Webinars	—	—	—	—	1
Live Webcasts	—	—	—	—	10

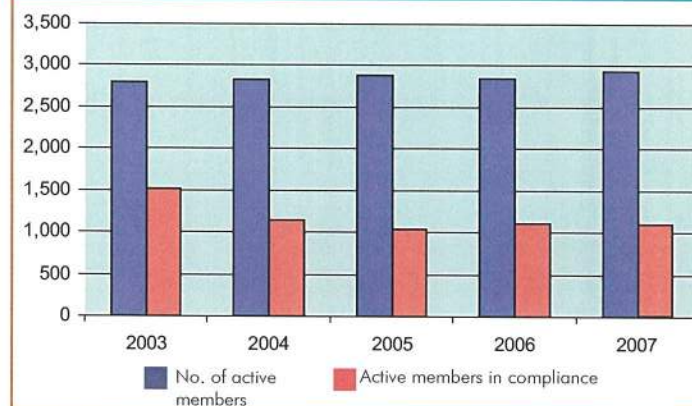
"Don't Cross That Line: Practicing Ethically and Successfully In Your First Years – A Mandatory Course for New Lawyers in Alaska," a 1.5 hour DVD, is required viewing for admission to the Alaska Bar. Group video replays are scheduled in the spring and fall in Anchorage, and admittees may also view the DVD individually.

• Voluntary Continuing Legal Education (VCLE) – Final VCLE Year

The Voluntary CLE Rule, originally a three-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 adopted by the Alaska Supreme Court in response to the rule proposed by the Alaska Bar.

In May 2005, the Board of Governors appointed a Mandatory CLE Task Force, comprised of representatives of the Board, the Alaska Court System, and the Alaska Judicial Council, to study the issue of whether MCLE should be adopted in Alaska. The Task Force subcommittee reports were submitted to the Board of Governors for consideration in January 2006.

VCLE REPORTING STATISTICS — 2003-2007



In September 2006, the Board of Governors voted to amend the Bar Rules to establish an MCLE program in Alaska, and to forward the proposed amendments to the Alaska Supreme Court for approval.

• Mandatory CLE Rule (MCLE)

In December 2007, the Alaska Supreme Court approved a Mandatory CLE Rule (MCLE) effective January 1, 2008. The new MCLE Rule requires all active Alaska Bar members to:

- Complete 3 hours of approved ethics CLE and report completion.
- Report whether the member has completed more than 9 hours of approved general (VCLE) CLE.
- Report an estimate of how many hours of approved general (VCLE) CLE completed if fewer than 9 hours completed.

• 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

Total Lawyer Referrals 2003 - 2007

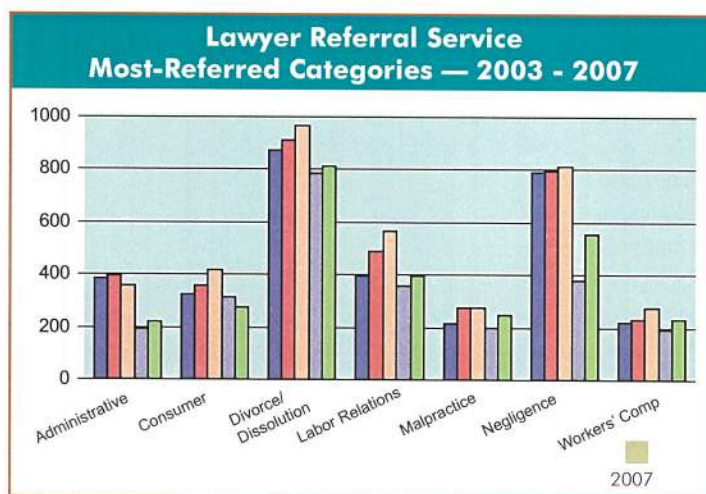
	'03	'04	'05	'06	'07
Administrative	382	396	357	194	219
Admiralty	19	17	17	18	12
Adoption	34	34	37	16	35
Alaska Native Law	—	—	2	—	—
Arts	—	—	—	2	3
Bankruptcy	108	110	142	52	79
Commercial	148	123	212	112	149
Construction	14	37	40	29	63
Consumer	326	356	419	315	275
Criminal: Felony	130	127	228	92	166
Criminal: Misdemeanor	162	143	175	114	170
Discrimination	66	13	—	—	—
Divorce/Dissolution/Custody	869	907	962	784	809
Eminent Domain	—	—	5	4	—
Environmental	—	—	6	6	—
Foreign Language	—	2	—	—	2
Guardian/Conservator	—	33	52	64	11
Immigration	25	70	—	28	52
Insurance	87	88	89	51	61
Labor Relations	395	488	563	355	392
Landlord/Tenant	161	182	250	63	30
Malpractice	212	276	275	197	244
Military	—	—	—	—	—
Mining	—	—	—	—	—
Negligence	791	794	812	380	556
Patent/Copyright	—	—	—	5	41
Public Interest	8	4	3	3	1
Real Estate	206	281	290	175	257
SSI Cases	28	82	51	22	48
Tax	8	—	—	—	—
Traffic	8	4	21	49	8
Trusts/Wills/Estates	167	187	227	144	222
Workers' Compensation	217	228	276	192	229
	4,585	4,982	5,511	3,468	4,134
Change from previous year	-8%	+9%	+11%	-37%	+16%

“At the end of 2007, 77 attorneys were enrolled in 33 practice categories in the Lawyer Referral Service with total referrals of 4,134—a 16% increase from 2006.”

“ In addition to services associated with CLE, the Bar Association provides other programs to assist members of the Bar in their practices. ”

whether the caller actually contacts 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 2007, a total of 77 attorneys were enrolled in 33 practice categories in the Lawyer Referral Service, with total referrals of 4,134 a 16 % increase from the 3,468 referrals in 2006.



• Pro Bono Services

The Alaska Bar Association's Pro Bono Director works in partnership with Alaska's legal service providers, the legal community, Pro Bono Services Committee of the Bar Association, and other organizations in Alaska to promote, educate, recognize and recruit attorneys and

other professional services to assist low-income citizens. The program serves as an information clearinghouse for the membership regarding volunteer opportunities, resources, training, and other volunteer support services, as well as a point of contact for legal service providers.

Selected as an internship site by Seattle University School of Law since 2006, the program enjoyed the labor of a talented first year law student to help further the issues of pro bono needs in Alaska. Projects included volunteer attorney recruitment, legal literacy curriculum research and development, and organizational capacity building.

Through a partnership with the Anchorage Bar Association's Young Lawyer Section, the Pro Bono Director assisted in the creation, planning, and execution of a project to benefit Alaska's senior citizen population through the development of a legal resources guide. The project was one of eight selected for funding nationally by the American Bar Association and will be complete by July 2008.

In 2007, the Pro Bono Director, accompanied by the Bar President or a member of the Board of Governors traveled to seven communities—Kodiak, Nome, Kotzebue, Kenai, Soldotna, Homer, and Juneau—as an outreach function and to increase volunteerism in smaller communities. The director made presentations to 16 of the 23 substantive law sections, six community groups, assisted in the establishment of Alaska's only language interpreter center and served on the search committee for the organization's new director, spearheaded two community service projects in the areas of tax and estate planning, and presented at two swearing-in ceremonies of new attorneys to further educate them about 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 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, Fair & Impartial Courts, 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 at www.alaskabar.org.

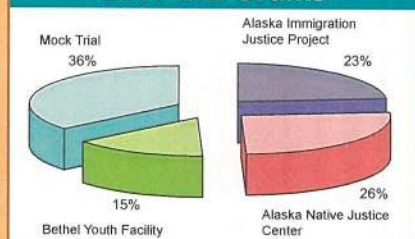
Programs include:

- **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.
- **Casemaker.** This online legal research tool is available to all Alaska Bar members at no cost to members. It is included in bar dues. The Alaska Unreported Court Opinions Database will now be hosted by Casemaker. Alaska joined about 28 other states offering this web-based research library and search engine to their Bar members.
- **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.
- **Free Downloading of Alaska Bar CLE Materials.** All Alaska Bar CLE materials one calendar year old or older 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 LifeWise Assurance Company. All members of the Association and employees of their firms are eligible. The Bar Association

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

“ In 2007, the Board of Governors distributed \$6,930 for grants to organizations delivering Law Related Education (LRE) programs and materials. These annual grants are targeted to programs that offer practical or direct LRE programs in urban and Bush areas. ”

2007 LRE Grants



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 Premier Blue Cross Blue Shield of Alaska. The Bar Association also sponsors a disability insurance program offered by Unimerica Insurance Co.

- **The Alaska Bar Rag.** This quarterly periodical is the official publication of the Bar Association, with content provided by the Bar, attorneys, and organizations in the legal and justice communities. The editor is Thomas V. Van Flein.
- **E-News.** This weekly e-mail newsletter is sent to all members for whom the Bar has e-mail addresses, and contains announcements about Bar Association activities, court news, upcoming CLE programs, and other timely items of interest.
- **Unreported Court Opinions Database.** This database, formerly hosted on the Alaska Bar website, will now be available through Casemaker.
- **Section News.** This newsletter, containing notices of section meetings, CLE seminars, and information on new case law, is e-mailed monthly to 85% of substantive law section members. Members without e-mail are mailed a hard copy. Section meeting dates are posted on the website calendar, and the full newsletter is posted on the Bar website at www.alaskabar.org.

• **Ethics Opinions.** All Alaska Bar Ethics Opinions are published in the Alaska Bar Rag and online at the Bar's website at 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%.

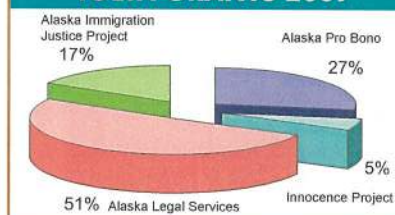
ADJUNCT INVOLVEMENT

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

- **The Alaska Bar Foundation** was 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 2007, the IOLTA program earned \$161,415 from interest, and awarded grants totaling \$140,000.

IOLTA GRANTS 2007



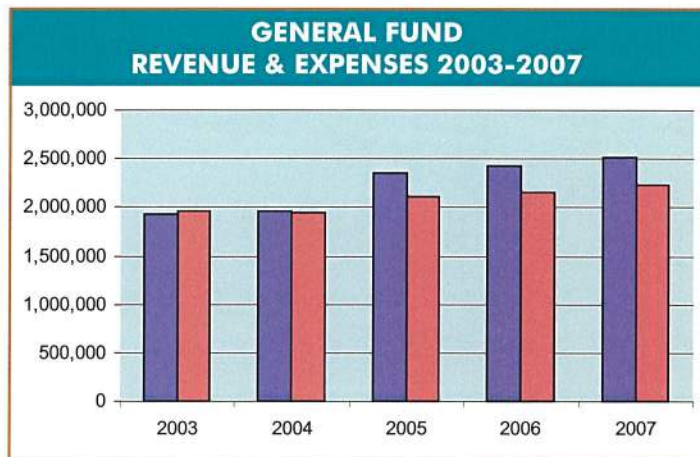
Foundation grants included: \$71,000 to Alaska Legal Services Corp.; \$38,000 to the Alaska Pro Bono Program; \$23,500 to the Alaska Immigration Justice Project; and \$7,500 to the Alaska Innocence Project.

- **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 law 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 resources 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 Alaska 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 for Continuing Legal Education (ACLEA), CLEreg (MCLE Regulators), National Organization of Bar Counsel, National Conference of Bar Examiners, and Western States Bar Conference.

Financial Statements & Budget

The 2007 financial reports reflect total general fund revenue of \$2,512,246, with total expenses of \$2,234,380. The net gain of \$277,866 was a slight decline from the 2006 gain of \$280,251.



“The 2007 financial reports reflect total general fund revenue of \$2,512,246, with total expenses of \$2,234,380. The net gain of \$277,866 was a slight decline from the 2006 gain of \$280,251.”



Daniel, Hewko
& Tharp

Certified Public Accountants • A Professional Corporation

INDEPENDENT AUDITORS' REPORT

Board of Governors
Alaska Bar Association

We have audited the accompanying statements of financial position of the General Fund, the Lawyers' Fund for Client Protection and the Court System Library Fund of the Alaska Bar Association as of December 31, 2007, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Fund, the Lawyers' Fund for Client Protection and the Court System Library Fund of the Alaska Bar Association as of December 31, 2006, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Daniel, Hewko & Tharp

Anchorage, Alaska
February 27, 2008

ALASKA BAR ASSOCIATION

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2007

UNRESTRICTED NET ASSETS	General Fund	Lawyers' Fund for Client Protection	Court System Library Fund	Total All Funds
Revenue and Other Income				
Dues	\$ 1,686,571	\$ 29,043	\$ -	\$ 1,715,614
Admission fees	150,850	-	-	150,850
Continuing legal education	136,404	-	-	136,404
Lawyer referral fees	41,593	-	-	41,593
Annual meeting	134,557	-	-	134,557
Share from copiers	-	-	2,140	2,140
Rule 81 fees	128,510	2,390	-	130,900
Other	83,412	790	-	84,202
Earnings on investments	126,973	43,425	205	170,603
Unrealized gain on investments	23,376	11,547	-	34,923
Total unrestricted revenue	2,512,246	87,195	2,345	2,601,786
Expenses				
Admissions	182,457	-	-	182,457
Board of Governors	47,822	-	-	47,822
Discipline	664,488	-	-	664,488
Fee arbitration	66,780	-	-	66,780
Lawyer referral	52,504	-	-	52,504
Continuing legal education	327,828	-	-	327,828
Administration	492,382	-	-	492,382
Pro Bono	89,252	-	-	89,252
Voluntary CLE	22,300	-	-	22,300
Annual meeting	112,091	-	-	112,091
Claims awarded	-	127,235	-	127,235
Rule 31 Trustee Counsel	-	30,367	-	30,367
Other	176,476	300	12	176,788
Total expenses	2,234,380	157,902	12	2,392,294
Increase (decrease) in unrestricted net assets	277,866	(70,707)	2,333	209,492
Net assets, beginning of year	2,112,876	1,153,037	21,139	3,287,052
Net assets, end of year	\$ 2,390,742	\$ 1,082,330	\$ 23,472	\$ 3,496,544

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 Regulations Added, Modified, or Repealed in 2007

Article VII, Section 1(a)(11)

September 2007: The Board amended Bylaws, Article VII, Section 1(a)(11) to change the name of the "Judicial Independence Committee" to the "Committee for Fair and Impartial Courts."

Article VII, Section 1(a)(3)

October 2007: The Board amended Bylaws, Article VII, Section 1(a)(3) to change the reference from the "Code of Professional Responsibility" to the "Alaska Rules of Professional Conduct."

Bar Rules Proposed to the Supreme Court in 2007

Alaska Bar Rules

January 2007: The Board proposed an amendment to Bar Rule 39(a) correcting the Bar Association's address.

January 2007: The Board proposed an amendment to Bar Rule 40(u) correcting the citations to the uniform arbitration acts.

February 2007: The Board proposed a new rule, Bar Rule 15.1, that would require lawyers to have their trust accounts only at institutions that agree to provide trust account overdraft notices to bar counsel.

February 2007: The Board proposed an addition to Bar Rule 13 that would provide for a challenge procedure to mediators and referral back to grievance investigation or fee arbitration if there is no response to scheduling requests.

February 2007: The Board proposed an addition to Bar Rule 38 that would provide for the appointment of a mediator to the Executive Committee of the Fee Dispute Resolution Program and making the President-Elect a non-voting member.

February 2007: The Board proposed an amendment to Bar Rule 40 that would change the start of the time period for requesting modification of a fee arbitration decision from "delivery" to "service" of the decision and would change the start of the time period for objection from "receipt" of notice to "service" of notice.

February 2007: The Board proposed an amendment to Bar Rule 61(a) that would remove the filing date for a petition to suspend for nonpayment of dues. In addition, the amendment would direct the petition to the entire Supreme Court rather than an individual justice.

October 2007: The Board proposed amendments to Bar Rule 44 regarding legal intern permit eligibility and renewal as well as permitted acts by a legal intern.

October 2007: The Board proposed an amendment to Bar Rule 44.1(f)(2)(A) that would change the reference from the "Code of Professional Responsibility" to the "Alaska Rules of Professional Conduct."

November 2007: The Board proposed an amendment to Bar Rule 63

that would require a nonlawyer who prepares or completes documents for compensation to obtain and maintain for five years a signed statement from the consumer that warns that the preparer is not a lawyer, that the document may not be legally enforceable, that the document should be reviewed by a lawyer admitted to practice in Alaska, and that the consumer may report any problems with the document to the Bar Association.

December 2007: The Board proposed an amendment to Bar Rule 6, Section 7(b) that would delete the appeal provision relating to residency requirements since the residency requirement has been abolished.

December 2007: The Board proposed an amendment to Bar Rule 5, Section 3 that would allow any state or federal judicial officer to sign an order of admission if eligibility is certified and would permit any state or federal judicial officer or any person authorized to administer oaths to administer the oath of admission to the Bar.

Bar Rules Adopted by the Supreme Court in 2007

Alaska Bar Rules

Effective April 16, 2007: The Court amended Bar Rules 8(3) and 22(p) to clarify the contents of excerpts of record to be filed in admissions and discipline appeals.

Effective October 15, 2007: The Court amended Bar Rule 61(d) to correct the name of the "Child Support Enforcement Division" to the "Child Support Services Division."

Effective October 15, 2007: The Court amended Bar Rule 5, Section 1(b) to add the filing of the Bar Rule 64 affidavit to the requirement to file membership acceptance forms within 60 days of completion of certain admissions requirements.

Effective October 15, 2007: The Court added Bar Rule 43.2 permitting practice by Emeritus Attorneys for qualified legal services organizations.

Effective October 15, 2007: The Court amended Bar Rule 3, Section 6 to change the reapplication deadline for the July Alaska bar examination to June 15th.

Effective January 1, 2008: The Court modified Bar Rule 65 to provide for a mandatory ethics continuing legal education requirement of three hours per year and a voluntary continuing legal education recommendation of nine hours per year. In addition, the Court clarified activities that qualify for continuing education credit and other aspects of the program. The Court also amended Bar Rule 66 regarding suspension for failure to comply with the mandatory requirement. These modifications came as the result of a concerted effort on the part of the Court and the Board to achieve a meaningful program.

Effective April 15, 2008: The Court amended Bar Rule 29 to permit appeals or petitions for hearing in disciplinary reinstatement matters.

APPENDIX B

Bar Sections & Committees

Substantive Sections and Chairs, 2007

At the end of 2007 there were 23 active sections.

The Sections, Chairs, and Co-Chairs at the end of 2007 follow:

Administrative Law

Kathy Atkinson

Admiralty Law

Steve Shamburek & Mark Manning

Alaska Native Law

Mike Robbins

Alternate Dispute Resolution

Glenn Cravez

Bankruptcy Law

Michelle Boutin & Gary Spraker

Business Law

Leonard Anderson

Corporate Counsel

Marcia Davis & Carol Johnson

Elder Law

Ilona Besseney & Una Gandbhir

Employment Law

Tom Daniel, Will Schendel & Rob Schmidt

Environmental/Natural Resources Law

Larry Albert, Larry Hartig & Russ Winner

Estate Planning/Probate Law

Tonja Woelber

Family Law

Lori Ann Colbert & SJ Lee

Health Law

Joan Wilson

Immigration Law

Kathy Atkinson

Intellectual Property Law

Jon Dawson & Elizabeth Hodes

International Law

Andy Haas, Nevhiz Calik & Julie Webb

Law & Community Health Forum

Hanley Smith

Municipal Law

Scott Brandt-Erichsen & Rhonda

Fehlen-Westover

New Lawyers

Teresa Buelow & Beth Trimmer

Real Estate Law

Joan Travostino

Tax Law

Charles Schuetze

Torts/Personal Injury Law

Jim Leik

Workers' Comp

Joe Kalamarides

CLE Committee Members

June 30, 2006 - June 30, 2007

Fairbanks

James DeWitt, Chair 6/2008

Gail Ballou 6/2008

Aimee Anderson Oravec 6/2007

Anchorage

Peter Ashman 6/2008

Nora Barlow 6/2009

Jason Bergevin 6/2007

David Carter 6/2007

Lea Filippi 6/2009

Bonnie Harris 6/2009

Barbara Jones 6/2008

Christine Thoreson 6/2008

Nevhiz Calik 6/2009

Young Lawyer Rep

Zach Manzella 6/2008

Young Lawyer Rep

Juneau

David Ingram 6/2009

Kodiak

Judge Joel Bolger 6/2009

Judicial Representative

Bar Committees and Chairs

Alaska Bar Rag

Tom Van Flein

Alaska Rules of Professional Conduct

Jerome Juday

Bar Polls & Elections

Tim Middleton

Continuing Legal

James DeWitt

Education

James DeWitt

Ethics

Bob Mahoney

Fair & Impartial Courts

Susie Dosik

Historians

Leroy Barker

Law Examiners

Mary Gilson

Law Related Education

Barbara Jones

Lawyers Assistance

Vacant

Lawyers Fund for Client

Paul Nangle

Protection

Paul Nangle

Pro Bono Services

Robert Stewart



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