
ALASKA BAR

A S S O C I A T I O N

RESOLUTION

OF THE

BOARD OF GOVERNORS OF THE ALASKA BAR ASSOCIATION

(Disposition of Bar Health Plan Surplus Assets)

The Board of Governors of the Alaska Bar Association (“Board”), at a meeting duly called and held on May 4th, 2023, does hereby adopt the following resolutions:

WHEREAS, the Alaska Bar Association (“Association”) previously established and maintained a self-funded group health plan to provide medical and dental coverage to employees of the Association, Association members and member-employers (the “Bar Health Plan”) through a contract with Premera Blue Cross Blue Shield of Alaska; and

WHEREAS, the Bar Health Plan was terminated effective January 31, 2017 and, pursuant to the contract with Premera, the cumulative gain was refunded to the Association on December 14, 2018 (the “Rebate”); and

WHEREAS, the Association has maintained the Rebate in a revocable trust account at Merrill Lynch, known as the Alaska Bar Association Group Medical Plan Dissolution Fund (the “Trust”), for which the Association’s Executive Director and one or more members of the Board of Governors serve as trustees; and

WHEREAS, on May 3, 2019, the Association requested an advisory opinion from the U.S. Department of Labor’s Employee Benefits Security Administration (“EBSA”) regarding the proper disposition of the Rebate under the Employee Retirement Income Security Act of 1974 (“ERISA”); and

WHEREAS, at a meeting held on November 18, 2022, EBSA officials provided the Association with informal guidance regarding the disposition of the Rebate and referenced its Advisory Opinions 2003-08A and 2008-06A as relevant, guiding authority; and

WHEREAS, the Alaska Bar Foundation, Inc. (the “Bar Foundation”) is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, formed pursuant to the Alaska Non-Profit Corporations Act; and

WHEREAS, the articles of incorporation of the Bar Foundation state that part of the purposes of the corporation are to “promote suitable standards of legal education” and to establish funds from which “loans and scholarships may be made to deserving Alaskans interested in pursuing a legal education;” and

WHEREAS, the Bylaws of the Alaska Bar Association state in part that purposes of the Alaska Bar are to “encourage continuing legal education for the membership;” and

WHEREAS, the Scholarship Committee is responsible for the fundraising and implementation of the scholarship program in which law school scholarships are awarded to current 1st or 2nd year students who demonstrate ties to Alaska and a commitment to return to Alaska within two years of graduation; and

WHEREAS, consistent with Advisory Opinions 2003-08A and 2008-06A, and the fiduciary and prohibited transaction rules of ERISA, the Board wishes to transfer the Rebate to the Bar Foundation to be utilized in a manner consistent with the Bar Foundation's charitable and educational purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Rebate shall be distributed in a single lump sum to the Alaska Bar Foundation, Inc. as soon as administratively feasible, and the Trust shall thereafter be terminated.

BE IT FURTHER RESOLVED, that consistent with the Bar Foundation's charitable and educational purposes, the Board directs the funds be disbursed by the Bar Foundation as follows:

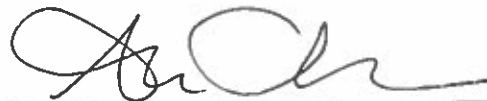
- (1) Upon request of the Board, the Bar Foundation will distribute up to five percent (5%) of the funds annually to the Association's Continuing Legal Education budget; and
- (2) Upon request of the Scholarship Committee of the Association ("Scholarship Committee"), the Bar Foundation will distribute up to two percent (2%) of the funds annually to the Scholarship Committee as matching funds for that year's fundraising cycle.

BE IT FURTHER RESOLVED, that upon agreement by both the Board and the Bar Foundation, the funds may be disbursed in a different manner that is still consistent with the Bar Foundation's purposes.

BE IT FURTHER RESOLVED, that the Board hereby authorizes and appoints the Executive Director of the Association or delegate to take all actions necessary, proper or advisable to carry these resolutions into full force and effect, including without limitation, receiving and accepting the resignations of the trustees of the Trust.

IN WITNESS WHEREOF, these resolutions were adopted at a meeting of the Board duly called and held on May 4th, 2023.

Date: May 5, 2023



Secretary, Alaska Bar Association
Board of Governors