



Navigating the Murky Waters of Bankruptcy

Use ASEA Legal Services to Get Professional Help

It's a sign of our tough times.

Bankruptcy filings have risen significantly, across the country and in Alaska. Between 2006 and 2009, Chapter 7 filings in Alaska jumped by 55%, Chapter 13 rose by about the same amount, and filings for Chapter 11 were four times higher.

A Complicated Process

Bankruptcy affects both debtors and creditors alike. According to U.S. law, a bankruptcy discharge releases the debtor from personal liability for certain specified types of debts. In other words, the debtor is no longer legally required to pay any debts that are discharged. The discharge is a permanent order prohibiting the creditors of the debtor from taking any form of collection action on the discharged debts, including legal action. All communications with the debtor such as telephone calls, letters and personal contacts must stop.

It is possible to file a bankruptcy case "pro se" (without an attorney), but it is difficult. The U.S. Bankruptcy Court in the District of Alaska recommends that you hire a competent attorney because bankruptcy issues are usually very complicated and it can be difficult to prepare the required paperwork. In addition, debtors may keep certain types of property (known as exempt property), and there are many types of debts that are non-dischargeable (not wiped out in the bankruptcy). Most people need an attorney to sort these issues out.

When the Last Thing You Need is More Bills

That's where your ASEA Legal Services benefits come in. You are eligible for up to \$1,800 each plan year for covered legal services, which includes attorneys fees relating to bankruptcy proceedings,

creditor or debtor issues. The ASEA Legal Services Trust Fund will pay up to \$150 per hour to the qualified attorney of your choice to help you.

Bankruptcy is a serious matter, affecting a debtor's credit rating for seven to 10 years. Therefore, any decision to file for bankruptcy should be considered very carefully.

The bankruptcy process is complex and relies on legal concepts like "automatic stay," "discharge," "exemptions" and "assume." If you don't know exactly how these terms apply to you, don't risk taking on bankruptcy proceedings on your own. Use your ASEA Legal Services benefit and call a participating attorney today.

Count on the Same Great Legal Benefits for 2010/2011

If you are a current State of Alaska employee in the General Government Unit, there's good news. Although the claims costs for the plan have increased, there will be no change in your benefit from ASEA Legal Services at this time. This means you will continue to be eligible for up to \$1,800 per plan year in covered legal services.

Use this benefit to help pay for legal expenses associated with marriage or divorce, adoption or custody issues, real estate transactions, immigration, bankruptcy or others. The ASEA Legal Services Trust Fund will reimburse you up to \$1,800 to get the professional advice you need.

Summer 2010

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Visit us at:
www.asealegalservices.org



ELECTION UPDATE

Congratulations to John Roxburgh, who was recently re-elected as Trustee for the ASEA Legal Services Trust Fund. John is a programmer analyst with the Department of Environmental Conservation. He first began serving on the statewide Executive Board of ASEA/AFSCME Local 52 from 1999–2000. He returned to the Board of Trustees in 2005 for a five-year term and is looking forward to leading the Trust for another five years. "I believe I offer a good balance of communication skills and common sense, in addition to continuity of leadership," said John. He represents the Juneau region and is also Chairman of the Board of Trustees. John's new term will expire June 30, 2015.

Tell Us What You Think

Member Comment Period Ends October 11, 2010

ASEA Legal Services is a benefit you have earned as a State of Alaska employee in the GGU unit. If you have comments you'd like to share about this program, we invite you to voice your opinion during the next Trustee Meeting on **Tuesday, October 12, 2010**.

Trustees will hear member comments between 12 p.m. and 1 p.m., scheduled to accommodate members during your lunch hour. If you are unavailable at that time, let us know and we will try to accommodate your schedule. Trustees will take as many calls as possible; the time allowed each member will be based upon the number of members registered for the meeting.

Your Legal Trust

Working Hard, Working Well

Audit findings for the ASEA Legal Services Trust Fund were favorable for the 2008/2009 Plan period. The Trust's auditor, Lockitch, Clements & Rice, P.S., Certified Public Accountants, reviewed the Trust's financial statements and agreed the Trust's financials were in compliance with generally accepted accounting principles. Visit www.asealegalservices.org to view the Summary Annual Report.

You must register to comment; registrations will be accepted up to 4 p.m. on October 11. To register, send your name, the phone number at which you will accept the call from the Trustees, and the subject you wish to address to:

Barb Thaman, Administrator
Labor Trust Services, Inc.
Phone: 800.325.6532 Ext. 229 (toll-free)
Fax: 907.561.4802
E-mail: Itsadmin@alaska.net

WARNING: Fraud, attempted fraud, or improper use of the ASEA Legal Plan will terminate your benefits, and the ASEA Legal Plan will not pay accrued charges.
This document is merely a summary. Please refer to the ASEA Legal Plan Booklet for more details. In the event of a difference between this summary and the Plan Booklet, the Plan Booklet prevails. Please contact us if you need another Plan Booklet. This summary does not constitute legal advice. If you have legal questions please consult an attorney.

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