

SAMPLE LETTER TO YOUR BANK TO PROTECT EXEMPT INCOME

If you receive your Social Security, SSI, or other exempt income by direct deposit, use this letter to tell your bank not to freeze your account.

Your Name
Your Street Address
City, State ZIP Code

Date _____

IMPORTANT NOTE:

Some banks will not honor this letter. Still, it is a good idea to put your bank on notice that you have exempt funds.

1 CERTIFICATE OF MAILING

Bank's Name
Bank's Address
City, State ZIP Code

2 Re: Your Checking or Savings Account Number

Dear Bank Manager:

I have a dispute with a creditor which could result in that creditor seeking a restraining order against funds in my bank account.

3 All the funds in my checking account are directly deposited from _____.

Accordingly, all the money in the above bank account is exempt from seizure by restraining order under New York State law. Proof of my benefits award is attached. Please note that any restraint of exempt funds that you permit would cause severe hardship to me. Thank you for your attention to this matter.

Sincerely,

(Your name and signature)

Source: New York City Bankruptcy Assistance Project

- 1** Make sure to mail your letter with a certificate of mailing and keep the proof of mailing for your records.
- 2** Fill in your checking or savings account number.
- 3** State the source of your exempt income. Common examples of exempt income are: Social Security, SSD, SSI, Public Assistance, Veterans Administration benefits, Workers Compensation, Unemployment Insurance, public and private pensions, IRAs and other retirement accounts, child support, spousal maintenance, and earned income that is less than \$175.50 per week after taxes.