

SENATE BILL NO. 317—SENATOR CARE

MARCH 19, 2007

Referred to Committee on Judiciary

SUMMARY—Makes various changes to provisions relating to agents for service of process and business entities. (BDR 7-445)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to business entities; establishing provisions relating to the judgment execution of a stockholder's stock; revising the provisions relating to the location of a registered office of a corporation; revising the provisions relating to the maintenance of a corporation's records at its registered office; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law allows a court to charge the interest of a partner in a partnership or limited partnership or a member of a limited-liability company for payment of an unsatisfied judgment under certain circumstances. (NRS 86.401, 87.280, 87.4342, 88.535) **Section 1** of this bill provides that a court may charge a stockholder's stock with payment of an unsatisfied judgment under certain circumstances.

Existing law requires every corporation to have a resident agent who resides or is located in this State. (NRS 78.090) **Section 2** of this bill requires every resident agent to maintain a physical street address. **Section 2** also requires the physical street address of the registered office of a resident agent who acts as a resident agent for multiple business entities to be in a location zoned for such use.

Existing law establishes provisions relating to the maintenance of a corporation's records at its registered office. (NRS 78.105) **Section 3** of this bill requires certain records to be maintained for a period of 3 years by a new resident agent who replaces a previous resident agent.

Existing law provides that certain benefits and property may be exempt from execution. (NRS 21.075, 21.090, 31.045) **Sections 4-7** of this bill provide that stock of certain corporations may be exempt from execution under certain circumstances.



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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 78 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. On application to a court of competent jurisdiction by a judgment creditor of a stockholder, the court may charge the stockholder's stock with payment of the unsatisfied amount of the judgment with interest. To the extent so charged, the judgment creditor has only the rights of an assignee of the stockholder's stock.*

*2. This section:*

*(a) Applies only to a corporation that:*

*(1) Has one or more but fewer than 75 stockholders of record at any time.*

*(2) Is not a subsidiary of a publicly traded corporation, either in whole or in part.*

*(3) Is not a professional corporation, as defined in NRS 89.020.*

*(b) Does not apply to any liability of a stockholder that exists as the result of an action filed before October 1, 2007.*

*(c) Provides the exclusive remedy by which a judgment creditor of a stockholder or an assignee of a stockholder may satisfy a judgment out of the stockholder's stock of the corporation.*

*(d) Does not deprive any stockholder of the benefit of any exemption applicable to the stockholder's stock.*

*(e) Does not supersede any private agreement between a stockholder and a creditor.*

**Sec. 2.** NRS 78.090 is hereby amended to read as follows:

78.090 1. Except during any period of vacancy described in NRS 78.097, every corporation must have a resident agent who resides or is located in this State. Every resident agent must ~~have~~ maintain a physical street address for ~~the~~ receiving service of process, ~~and~~ which is the registered office of the corporation in this State. If the resident agent is in the business of acting as a resident agent for multiple business entities, the physical street address of the registered office must be in a location that is zoned for such use. The resident agent may have a separate mailing address, such as a post office box, which may be different from the street address. ~~[The street address of the resident agent is the registered office of the corporation in this State.]~~

2. If the resident agent is a bank or corporation, it may:



(a) Act as the fiscal or transfer agent of any state, municipality, body politic or corporation and in that capacity may receive and disburse money.

(b) Transfer, register and countersign certificates of stock, bonds or other evidences of indebtedness and act as agent of any corporation, foreign or domestic, for any purpose required by statute, or otherwise.

(c) Act as trustee under any mortgage or bond issued by any municipality, body politic or corporation, and accept and execute any other municipal or corporate trust not inconsistent with the laws of this State.

(d) Receive and manage any sinking fund of any corporation, upon such terms as may be agreed upon between the corporation and those dealing with it.

3. Every corporation organized pursuant to this chapter which fails or refuses to comply with the requirements of this section is subject to a fine of not less than \$100 nor more than \$500, to be recovered with costs by the State, before any court of competent jurisdiction, by action at law prosecuted by the Attorney General or by the district attorney of the county in which the action or proceeding to recover the fine is prosecuted.

4. All legal process and any demand or notice authorized by law to be served upon a corporation may be served upon the resident agent of the corporation in the manner provided in subsection 2 of NRS 14.020. If any demand, notice or legal process, other than a summons and complaint, cannot be served upon the resident agent, it may be served in the manner provided in NRS 14.030. These manners and modes of service are in addition to any other service authorized by law.

**Sec. 3.** NRS 78.105 is hereby amended to read as follows:

78.105 1. A corporation shall keep a copy of the following records at its registered office:

(a) A copy certified by the Secretary of State of its articles of incorporation, and all amendments thereto;

(b) A copy certified by an officer of the corporation of its bylaws and all amendments thereto; and

(c) A stock ledger or a duplicate stock ledger, revised annually, containing the names, alphabetically arranged, of all persons who are stockholders of the corporation, showing their places of residence, if known, and the number of shares held by them respectively. In lieu of the stock ledger or duplicate stock ledger, the corporation may keep a statement setting out the name of the custodian of the stock ledger or duplicate stock ledger, and the present and complete mailing or street address where the stock ledger or duplicate stock ledger specified in this section is kept.



2. *A stock ledger, duplicate stock ledger or statement setting out the name of the custodian of the stock ledger or duplicate stock ledger described in paragraph (c) of subsection 1 must be maintained by the new resident agent of the corporation for a period of 3 years following the resignation or removal of the resident agent or the dissolution of the corporation by the Secretary of State.*

3. Any person who has been a stockholder of record of a corporation for at least 6 months immediately preceding his demand, or any person holding, or thereunto authorized in writing by the holders of, at least 5 percent of all of its outstanding shares, upon at least 5 days' written demand is entitled to inspect in person or by agent or attorney, during usual business hours, the records required by subsection 1 and make copies therefrom. Holders of voting trust certificates representing shares of the corporation must be regarded as stockholders for the purpose of this subsection. Every corporation that neglects or refuses to keep the records required by subsection 1 open for inspection, as required in this subsection, shall forfeit to the State the sum of \$25 for every day of such neglect or refusal.

~~[3-]~~ 4. If any corporation willfully neglects or refuses to make any proper entry in the stock ledger or duplicate copy thereof, or neglects or refuses to permit an inspection of the records required by subsection 1 upon demand by a person entitled to inspect them, or refuses to permit copies to be made therefrom, as provided in subsection ~~[2-]~~ 3, the corporation is liable to the person injured for all damages resulting to him therefrom.

~~[4-]~~ 5. When the corporation keeps a statement in the manner provided for in paragraph (c) of subsection 1, the information contained thereon must be given to any stockholder of the corporation demanding the information, when the demand is made during business hours. Every corporation that neglects or refuses to keep a statement available, as in this subsection required, shall forfeit to the State the sum of \$25 for every day of such neglect or refusal.

~~[5-]~~ 6. In every instance where an attorney or other agent of the stockholder seeks the right of inspection, the demand must be accompanied by a power of attorney signed by the stockholder authorizing the attorney or other agent to inspect on behalf of the stockholder.

~~[6-]~~ 7. The right to copy records under subsection ~~[2-]~~ 3 includes, if reasonable, the right to make copies by photographic, xerographic or other means.



~~[7]~~ 8. The corporation may impose a reasonable charge to recover the costs of labor and materials and the cost of copies of any records provided to the stockholder.

**Sec. 4.** NRS 21.075 is hereby amended to read as follows:

21.075 1. Execution on the writ of execution by levying on the property of the judgment debtor may occur only if the sheriff serves the judgment debtor with a notice of the writ of execution pursuant to NRS 21.076 and a copy of the writ. The notice must describe the types of property exempt from execution and explain the procedure for claiming those exemptions in the manner required in subsection 2. The clerk of the court shall attach the notice to the writ of execution at the time the writ is issued.

2. The notice required pursuant to subsection 1 must be substantially in the following form:

#### NOTICE OF EXECUTION

#### YOUR PROPERTY IS BEING ATTACHED OR YOUR WAGES ARE BEING GARNISHED

A court has determined that you owe money to ..... (name of person), the judgment creditor. He has begun the procedure to collect that money by garnishing your wages, bank account and other personal property held by third persons or by taking money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.

2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.

3. Payments for public assistance granted through the Division of Welfare and Supportive Services of the Department of Health and Human Services or a local governmental entity.

4. Proceeds from a policy of life insurance.

5. Payments of benefits under a program of industrial insurance.

6. Payments received as disability, illness or unemployment benefits.

7. Payments received as unemployment compensation.



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8. Veteran's benefits.

9. A homestead in a dwelling or a mobile home, not to exceed \$350,000, unless:

(a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.

(b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.

10. A vehicle, if your equity in the vehicle is less than \$15,000.

11. Seventy-five percent of the take-home pay for any workweek, unless the weekly take-home pay is less than 50 times the federal minimum hourly wage, in which case the entire amount may be exempt.

12. Money, not to exceed \$500,000 in present value, held in:

(a) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;

(b) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;

(c) A cash or deferred arrangement that is a qualified plan pursuant to the Internal Revenue Code;

(d) A trust forming part of a stock bonus, pension or profit-sharing plan that is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(e) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

13. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.



14. All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the payment of such support and maintenance to which the former spouse may be entitled.

15. A vehicle for use by you or your dependent which is specially equipped or modified to provide mobility for a person with a permanent disability.

16. A prosthesis or any equipment prescribed by a physician or dentist for you or your dependent.

17. Payments, in an amount not to exceed \$16,150, received as compensation for personal injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

18. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

19. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

20. Payments received as restitution for a criminal act.

***21. Stock of certain corporations, subject to the provisions of section 1 of this act.***

↳ These exemptions may not apply in certain cases such as a proceeding to enforce a judgment for support of a person or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through ..... (name of organization in county providing legal services to indigent or elderly persons).

#### PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt, you must complete and file with the clerk of the court a notarized affidavit claiming the exemption. A copy of



1 the affidavit must be served upon the sheriff and the judgment  
2 creditor within 8 days after the notice of execution is mailed.  
3 The property must be returned to you within 5 days after you  
4 file the affidavit unless you or the judgment creditor files a  
5 motion for a hearing to determine the issue of exemption. If  
6 this happens, a hearing will be held to determine whether the  
7 property or money is exempt. The motion for the hearing to  
8 determine the issue of exemption must be filed within 10 days  
9 after the affidavit claiming exemption is filed. The hearing to  
10 determine whether the property or money is exempt must be  
11 held within 10 days after the motion for the hearing is filed.  
12

13 IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE  
14 TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD  
15 AND THE MONEY GIVEN TO THE JUDGMENT  
16 CREDITOR, EVEN IF THE PROPERTY OR MONEY IS  
17 EXEMPT.

18 **Sec. 5.** NRS 21.090 is hereby amended to read as follows:

19 21.090 1. The following property is exempt from execution,  
20 except as otherwise specifically provided in this section or required  
21 by federal law:

22 (a) Private libraries, works of art, musical instruments and  
23 jewelry not to exceed \$5,000 in value, belonging to the judgment  
24 debtor or a dependent of the judgment debtor, to be selected by the  
25 judgment debtor, and all family pictures and keepsakes.

26 (b) Necessary household goods, furnishings, electronics,  
27 wearing apparel, other personal effects and yard equipment, not to  
28 exceed \$12,000 in value, belonging to the judgment debtor or a  
29 dependent of the judgment debtor, to be selected by the judgment  
30 debtor.

31 (c) Farm trucks, farm stock, farm tools, farm equipment,  
32 supplies and seed not to exceed \$4,500 in value, belonging to the  
33 judgment debtor to be selected by him.

34 (d) Professional libraries, equipment, supplies, and the tools,  
35 inventory, instruments and materials used to carry on the trade or  
36 business of the judgment debtor for the support of himself and his  
37 family not to exceed \$10,000 in value.

38 (e) The cabin or dwelling of a miner or prospector, his cars,  
39 implements and appliances necessary for carrying on any mining  
40 operations and his mining claim actually worked by him, not  
41 exceeding \$4,500 in total value.

42 (f) Except as otherwise provided in paragraph (o), one vehicle if  
43 the judgment debtor's equity does not exceed \$15,000 or the  
44 creditor is paid an amount equal to any excess above that equity.



(g) For any workweek, 75 percent of the disposable earnings of a judgment debtor during that week, or 50 times the minimum hourly wage prescribed by section 6(a)(1) of the federal Fair Labor Standards Act of 1938, 29 U.S.C. § 206(a)(1), and in effect at the time the earnings are payable, whichever is greater. Except as otherwise provided in paragraphs (n), (r) and (s), the exemption provided in this paragraph does not apply in the case of any order of a court of competent jurisdiction for the support of any person, any order of a court of bankruptcy or of any debt due for any state or federal tax. As used in this paragraph:

(1) "Disposable earnings" means that part of the earnings of a judgment debtor remaining after the deduction from those earnings of any amounts required by law to be withheld.

(2) "Earnings" means compensation paid or payable for personal services performed by a judgment debtor in the regular course of business, including, without limitation, compensation designated as income, wages, tips, a salary, a commission or a bonus. The term includes compensation received by a judgment debtor that is in the possession of the judgment debtor, compensation held in accounts maintained in a bank or any other financial institution or, in the case of a receivable, compensation that is due the judgment debtor.

(h) All fire engines, hooks and ladders, with the carts, trucks and carriages, hose, buckets, implements and apparatus thereunto appertaining, and all furniture and uniforms of any fire company or department organized under the laws of this State.

(i) All arms, uniforms and accouterments required by law to be kept by any person, and also one gun, to be selected by the debtor.

(j) All courthouses, jails, public offices and buildings, lots, grounds and personal property, the fixtures, furniture, books, papers and appurtenances belonging and pertaining to the courthouse, jail and public offices belonging to any county of this State, all cemeteries, public squares, parks and places, public buildings, town halls, markets, buildings for the use of fire departments and military organizations, and the lots and grounds thereto belonging and appertaining, owned or held by any town or incorporated city, or dedicated by the town or city to health, ornament or public use, or for the use of any fire or military company organized under the laws of this State and all lots, buildings and other school property owned by a school district and devoted to public school purposes.

(k) All money, benefits, privileges or immunities accruing or in any manner growing out of any life insurance, if the annual premium paid does not exceed \$15,000. If the premium exceeds that amount, a similar exemption exists which bears the same proportion to the money, benefits, privileges and immunities so accruing or



growing out of the insurance that the \$15,000 bears to the whole annual premium paid.

(l) The homestead as provided for by law, including a homestead for which allodial title has been established and not relinquished and for which a waiver executed pursuant to NRS 115.010 is not applicable.

(m) The dwelling of the judgment debtor occupied as a home for himself and family, where the amount of equity held by the judgment debtor in the home does not exceed \$350,000 in value and the dwelling is situated upon lands not owned by him.

(n) All property in this State of the judgment debtor where the judgment is in favor of any state for failure to pay that state's income tax on benefits received from a pension or other retirement plan.

(o) Any vehicle owned by the judgment debtor for use by him or his dependent that is equipped or modified to provide mobility for a person with a permanent disability.

(p) Any prosthesis or equipment prescribed by a physician or dentist for the judgment debtor or a dependent of the debtor.

(q) Money, not to exceed \$500,000 in present value, held in:

(1) An individual retirement arrangement which conforms with the applicable limitations and requirements of section 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A;

(2) A written simplified employee pension plan which conforms with the applicable limitations and requirements of section 408 of the Internal Revenue Code, 26 U.S.C. § 408;

(3) A cash or deferred arrangement which is a qualified plan pursuant to the Internal Revenue Code;

(4) A trust forming part of a stock bonus, pension or profit-sharing plan which is a qualified plan pursuant to sections 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et seq.; and

(5) A trust forming part of a qualified tuition program pursuant to chapter 353B of NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is deposited after the entry of a judgment against the purchaser or account owner or the money will not be used by any beneficiary to attend a college or university.

(r) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support, education and maintenance of a child, whether collected by the judgment debtor or the State.

(s) All money and other benefits paid pursuant to the order of a court of competent jurisdiction for the support and maintenance of a former spouse, including the amount of any arrearages in the



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1 payment of such support and maintenance to which the former  
2 spouse may be entitled.

3 (t) Payments, in an amount not to exceed \$16,150, received as  
4 compensation for personal injury, not including compensation for  
5 pain and suffering or actual pecuniary loss, by the judgment debtor  
6 or by a person upon whom the judgment debtor is dependent at the  
7 time the payment is received.

8 (u) Payments received as compensation for the wrongful death  
9 of a person upon whom the judgment debtor was dependent at the  
10 time of the wrongful death, to the extent reasonably necessary for  
11 the support of the judgment debtor and any dependent of the  
12 judgment debtor.

13 (v) Payments received as compensation for the loss of future  
14 earnings of the judgment debtor or of a person upon whom the  
15 judgment debtor is dependent at the time the payment is received, to  
16 the extent reasonably necessary for the support of the judgment  
17 debtor and any dependent of the judgment debtor.

18 (w) Payments received as restitution for a criminal act.

19 (x) Payments received pursuant to the federal Social Security  
20 Act, including, without limitation, retirement and survivors'  
21 benefits, supplemental security income benefits and disability  
22 insurance benefits.

23 (y) *Stock of certain corporations, subject to the provisions of*  
24 *section 1 of this act.*

25 2. Except as otherwise provided in NRS 115.010, no article or  
26 species of property mentioned in this section is exempt from  
27 execution issued upon a judgment to recover for its price, or upon a  
28 judgment of foreclosure of a mortgage or other lien thereon.

29 3. Any exemptions specified in subsection (d) of section 522 of  
30 the Bankruptcy Act of 1978, 11 U.S.C. § 522(d), do not apply to  
31 property owned by a resident of this State unless conferred also by  
32 subsection 1, as limited by subsection 2.

33 **Sec. 6.** NRS 31.045 is hereby amended to read as follows:

34 31.045 1. Execution on the writ of attachment by attaching  
35 property of the defendant may occur only if:

36 (a) The judgment creditor serves the defendant with notice of  
37 the execution when the notice of the hearing is served pursuant to  
38 NRS 31.013; or

39 (b) Pursuant to an ex parte hearing, the sheriff serves upon the  
40 judgment debtor notice of the execution and a copy of the writ at the  
41 same time and in the same manner as set forth in NRS 21.076.

42 ➡ If the attachment occurs pursuant to an ex parte hearing, the clerk  
43 of the court shall attach the notice to the writ of attachment at the  
44 time the writ is issued.



2. The notice required pursuant to subsection 1 must be substantially in the following form:

NOTICE OF EXECUTION

YOUR PROPERTY IS BEING ATTACHED OR  
YOUR WAGES ARE BEING GARNISHED

Plaintiff, ..... (name of person), alleges that you owe him money. He has begun the procedure to collect that money. To secure satisfaction of judgment the court has ordered the garnishment of your wages, bank account or other personal property held by third persons or the taking of money or other property in your possession.

Certain benefits and property owned by you may be exempt from execution and may not be taken from you. The following is a partial list of exemptions:

1. Payments received pursuant to the federal Social Security Act, including, without limitation, retirement and survivors' benefits, supplemental security income benefits and disability insurance benefits.

2. Payments for benefits or the return of contributions under the Public Employees' Retirement System.

3. Payments for public assistance granted through the Division of Welfare and Supportive Services of the Department of Health and Human Services or a local governmental entity.

4. Proceeds from a policy of life insurance.

5. Payments of benefits under a program of industrial insurance.

6. Payments received as disability, illness or unemployment benefits.

7. Payments received as unemployment compensation.

8. Veteran's benefits.

9. A homestead in a dwelling or a mobile home, not to exceed \$350,000, unless:

(a) The judgment is for a medical bill, in which case all of the primary dwelling, including a mobile or manufactured home, may be exempt.

(b) Allodial title has been established and not relinquished for the dwelling or mobile home, in which case all of the dwelling or mobile home and its appurtenances are exempt, including the land on which they are located, unless a valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.



1           10. A vehicle, if your equity in the vehicle is less than  
2 \$15,000.

3           11. Seventy-five percent of the take-home pay for any  
4 workweek, unless the weekly take-home pay is less than 50  
5 times the federal minimum hourly wage, in which case the  
6 entire amount may be exempt.

7           12. Money, not to exceed \$500,000 in present value,  
8 held in:

9           (a) An individual retirement arrangement which conforms  
10 with the applicable limitations and requirements of section  
11 408 or 408A of the Internal Revenue Code, 26 U.S.C. §§ 408  
12 and 408A;

13           (b) A written simplified employee pension plan which  
14 conforms with the applicable limitations and requirements of  
15 section 408 of the Internal Revenue Code, 26 U.S.C. § 408;

16           (c) A cash or deferred arrangement that is a qualified plan  
17 pursuant to the Internal Revenue Code;

18           (d) A trust forming part of a stock bonus, pension or  
19 profit-sharing plan that is a qualified plan pursuant to sections  
20 401 et seq. of the Internal Revenue Code, 26 U.S.C. §§ 401 et  
21 seq.; and

22           (e) A trust forming part of a qualified tuition program  
23 pursuant to chapter 353B of NRS, any applicable regulations  
24 adopted pursuant to chapter 353B of NRS and section 529 of  
25 the Internal Revenue Code, 26 U.S.C. § 529, unless the  
26 money is deposited after the entry of a judgment against the  
27 purchaser or account owner or the money will not be used by  
28 any beneficiary to attend a college or university.

29           13. All money and other benefits paid pursuant to the  
30 order of a court of competent jurisdiction for the support,  
31 education and maintenance of a child, whether collected by  
32 the judgment debtor or the State.

33           14. All money and other benefits paid pursuant to the  
34 order of a court of competent jurisdiction for the support and  
35 maintenance of a former spouse, including the amount of any  
36 arrearages in the payment of such support and maintenance to  
37 which the former spouse may be entitled.

38           15. A vehicle for use by you or your dependent which is  
39 specially equipped or modified to provide mobility for a  
40 person with a permanent disability.

41           16. A prosthesis or any equipment prescribed by a  
42 physician or dentist for you or your dependent.

43           17. Payments, in an amount not to exceed \$16,150,  
44 received as compensation for personal injury, not including  
45 compensation for pain and suffering or actual pecuniary loss,



by the judgment debtor or by a person upon whom the judgment debtor is dependent at the time the payment is received.

18. Payments received as compensation for the wrongful death of a person upon whom the judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

19. Payments received as compensation for the loss of future earnings of the judgment debtor or of a person upon whom the judgment debtor is dependent at the time the payment is received, to the extent reasonably necessary for the support of the judgment debtor and any dependent of the judgment debtor.

20. Payments received as restitution for a criminal act.

*21. Stock of certain corporations, subject to the provisions of section 1 of this act.*

↳ These exemptions may not apply in certain cases such as proceedings to enforce a judgment for support of a child or a judgment of foreclosure on a mechanic's lien. You should consult an attorney immediately to assist you in determining whether your property or money is exempt from execution. If you cannot afford an attorney, you may be eligible for assistance through ..... (name of organization in county providing legal services to the indigent or elderly persons).

## PROCEDURE FOR CLAIMING EXEMPT PROPERTY

If you believe that the money or property taken from you is exempt or necessary for the support of you or your family, you must file with the clerk of the court on a form provided by the clerk a notarized affidavit claiming the exemption. A copy of the affidavit must be served upon the sheriff and the judgment creditor within 8 days after the notice of execution is mailed. The property must be returned to you within 5 days after you file the affidavit unless the judgment creditor files a motion for a hearing to determine the issue of exemption. If this happens, a hearing will be held to determine whether the property or money is exempt. The hearing must be held within 10 days after the motion for a hearing is filed.

IF YOU DO NOT FILE THE AFFIDAVIT WITHIN THE TIME SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE JUDGMENT



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1 CREDITOR, EVEN IF THE PROPERTY OR MONEY IS  
2 EXEMPT.  
3

4 If you received this notice with a notice of a hearing for  
5 attachment and you believe that the money or property which  
6 would be taken from you by a writ of attachment is exempt or  
7 necessary for the support of you or your family, you are  
8 entitled to describe to the court at the hearing why you  
9 believe your property is exempt. You may also file a motion  
10 with the court for a discharge of the writ of attachment. You  
11 may make that motion any time before trial. A hearing will be  
12 held on that motion.  
13

14 IF YOU DO NOT FILE THE MOTION BEFORE  
15 THE TRIAL, YOUR PROPERTY MAY BE SOLD AND  
16 THE MONEY GIVEN TO THE PLAINTIFF, EVEN IF THE  
17 PROPERTY OR MONEY IS EXEMPT OR NECESSARY  
18 FOR THE SUPPORT OF YOU OR YOUR FAMILY.

19 **Sec. 7.** NRS 31.050 is hereby amended to read as follows:

20 31.050 Subject to the order for attachment and the provisions  
21 of *section 1 of this act and* chapter 104 of NRS, the right of shares  
22 which the defendant may have in the stock of any corporation or  
23 company, together with the interest and profits therein, and all debts  
24 due such defendant, and all other property in this State of such  
25 defendant not exempt from execution, may be attached, and if  
26 judgment be recovered, be sold to satisfy the judgment and  
27 execution.

