

Instructions regarding segregation of Social Security funds

1. Open a new (additional) account (at a bank or credit union where you do not owe money).
2. Ask the bank to label it “Social Security Account” (this is not an account type, it is just a label) for your social security money to be deposited into. Open the new account with the minimum opening deposit.
3. Call the Social Security Administration and give them the new account information as soon as possible; they will tell you what date the change will be effective.
4. Let the account sit dormant, leaving the opening deposit in it until around the date of the first Social Security deposit.
5. The business day before the first Social Security deposit hits your new account, withdraw (or transfer) the opening deposit from the Social Security account, bringing the balance to \$0 (don’t worry! The bank will not close the account if it’s temporarily at a \$0 balance).
6. From that date forward, **ONLY** Social Security money should be deposited into the “Social Security Account.” It is very important that you never, ever, deposit any other type of money into this separate account (not wages, pension, retirement, etc.).
7. It is OK to spend the funds in the Social Security account, but only when/if you need them (after using all other types of money).
8. The best course of action is to transfer “what you need, when you need it” from the Social Security Account into your main/operating checking account.
9. Do not have a debit card attached to the Social Security account.
10. If you follow these rules, your Social Security Account will be 100% exempt (protected) from Creditors (in or out of bankruptcy) and the bankruptcy trustee – no matter how much is in the account.

Instructions regarding segregation of Social Security funds into an existing account

1. The business day before the next Social Security deposit hits your account, withdraw (or transfer) all funds (every penny!) out of the account, bringing the balance to \$0.
 - A. Don't worry! The bank will not close the account if it's at a \$0 balance for a very short period of time.
 - B. If you go to the bank (not necessarily recommended) and the banker tells you they cannot take the balance to \$0.00, then leave \$0.01 in the account.
2. From that date forward, **ONLY** Social Security money should be deposited into the "Social Security Account," very preferably by direct deposit. It is very important that you never, ever, deposit any other type of money into this separate account (not wages, pension, retirement, tax refunds, debit card refunds, etc.).
3. It is OK to spend the funds in the Social Security Account, but only when/if you need them (ideally only after using all other types of money/funds in other accounts).
4. The best course of action is to transfer "what you need, when you need it" from the Social Security Account into your main/operating checking account.
5. Do not have a debit card attached to the Social Security Account (no purchase returns to the otherwise pristine Social Security Account!).
6. If you follow these rules, your Social Security Account will be 100% exempt (protected) from Creditors - in or out of bankruptcy - no matter how much is in the account.