

Re: Nevada Rules of Civil Procedure Rules 16.2

The Nevada Rules of Civil Procedure (NRCP) govern the procedure in the district courts. The NRCP are to be construed and administered to secure the just, speedy, and inexpensive determination of every action. Once an action has been initiated, the parties participate in the discovery process. Discovery affords both parties the opportunity to learn about each other's cases. The NRCP govern the discovery rules. NRCP 16.2 specifically deals with the discovery process in Family Court matters.

FINANCIAL DISCLOSURE FORM:

Pursuant to **NRCP 16.2**, in divorce, annulment, and separate maintenance actions, each party must complete and file the General Financial Disclosure Form. However, if any party believes that at least one of the following criteria are true and that party desires a more detailed financial disclosure, that party may so certify and file the Detailed Financial Disclosure Form: (1) Either spouse's individual gross income, or the combined gross income of the parties, is more than \$250,000 per year; or (2) Either spouse is self-employed or the owner, partner, managing shareholder, or managing member of a business; or (3) The combined gross value of the assets owned by either party individually, or in combination, is more than \$1,000,000.

Generally speaking, a party must file and serve the Financial Disclosure Form no later than 30 days after service of an answer or response to the complaint/petition.

FAILURE TO FILE OR SERVE FINANCIAL DISCLOSURE FORM:

If a party fails to timely file or serve the Financial Disclosure Form, or the required information and disclosures under these rules, the court **may** impose an appropriate sanction upon the party or the party's attorney, or both, if the court finds, by a preponderance of the evidence, that there is **not** good cause for the failure. **Sanctions may include:** (1) An order treating the party's failure as a contempt of court, which may include the allowable monetary fine or jail time; (2) An order refusing to allow the disobedient party to support or oppose designated claims or defenses, or prohibiting that party from introducing designated matters in evidence; or (3) An order requiring the party failing to timely file and serve the disclosure to pay the opposing party's reasonable expenses, including attorney's fees and costs, caused by the failure.

FAILURE TO INCLUDE AN ASSET OR LIABILITY:

If a party **intentionally** fails to include a material asset or liability in the party's financial disclosure form, the court may impose an appropriate sanction upon the party or the party's attorney, or both, if the other party establishes, by a preponderance of the evidence, that there is **not** good cause

for the failure. **Sanctions may include:** (1) An order awarding the omitted asset to the opposing party as his or her separate property or making another form of unequal division of community property; (2) An order treating the party's failure as a contempt of court, which may include the allowable monetary fine or jail time; (3) An order requiring the party failing to make the disclosure to pay the other party's or opposing party's reasonable expenses, including attorney's fees and costs, caused by the failure.

INITIAL DISCLOSURES:

A party must, without awaiting a discovery request, provide to the other party no later than the time required for the filing of his/her Financial Disclosure Form, the following information and documentation:

- (A) **Evidence Supporting Financial Disclosure Form.** For each line item on the General Financial Disclosure Form or Detailed Financial Disclosure Form, the financial statement(s), document(s), receipt(s), or other information or evidence believed to support that answer. If no documentary evidence exists, state in writing the basis of the claim, estimate, or belief as to the number or answer provided on the form.
- (B) **Evidence of Property, Income, and Earnings as to Both Parties.** The following must be provided to the other party:
 - (i) **Bank and Investment Statements.** Copies of all monthly or periodic bank, checking, savings, brokerage, investment, and security account statements in which any party has or had an interest for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure;
 - (ii) **Credit Card and Debt Statements.** Copies of credit card statements and debt statements for all parties for all months for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure;
 - (iii) **Real Property.** Copies of all deeds, deeds of trust, purchase agreements, escrow documents, settlement sheets, and all other documents that disclose the ownership, legal description, purchase price, and encumbrances of all real property owned by any party;
 - (iv) **Property Debts.** Copies of all monthly or periodic statements and documents showing the balances owing on all mortgages, notes, liens, and encumbrances outstanding against all real property and personal property in which the party has or had an interest for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure; or if no monthly or quarterly statements are available during this time period, the most recent statements or documents that disclose the information;
 - (v) **Loan Application.** Copies of all loan applications that a party has signed within 12 months prior to the service of the summons and complaint through the date of the disclosure;
 - (vi) **Promissory Notes.** Copies of all promissory notes under which a party either owes money or is entitled to receive money;
 - (vii) **Deposits.** Copies of all documents evidencing money held in escrow or by individuals or entities for the benefit of either party;
 - (viii) **Receivables.** Copies of all documents evidencing loans or monies due to either party from individuals or entities;

- (ix) **Retirement and Other Assets.** Copies of all monthly or periodic statements and documents showing the value of all pension, retirement, stock option, and annuity balances, including individual retirement accounts, 401(k) accounts, and all other retirement and employee benefits and accounts in which any party has or had an interest for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure; or if no monthly or quarterly statements are available during this time period, the most recent statements or documents that disclose the information;
- (x) **Insurance.** Copies of all monthly or periodic statements and documents showing the cash surrender value, face value, and premiums charged for all life insurance policies in which any party has or had an interest for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure; or if no monthly or quarterly statements are available during this time period, the most recent statements or documents that disclose the information;
- (xi) **Insurance Policies.** Copies of all policy statements and evidence of costs of premiums for health and life insurance policies covering either party or any child of the relationship;
- (xii) **Values.** Copies of all documents that may assist in identifying or valuing any item of real or personal property in which any party has or had an interest for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure, including any documents that the party may rely upon in placing a value on any item of real or personal property;
- (xiii) **Tax Returns.** Copies of all personal and business tax returns, balance sheets, profit and loss statements, and all documents that may assist in identifying or valuing any business or business interest for the last 2 completed calendar or fiscal years with respect to any business or entity in which any party has or had an interest within the past 12 months;
- (xiv) **Proof of Income.** Proof of income of the party from all sources, specifically including W-2 forms, 1099 forms, and K-1 forms, for the past 2 completed calendar years, and year-to-date income information (paycheck stubs, etc.) for the period commencing 6 months prior to the service of the summons and complaint through the date of the disclosure; and
- (xv) **Personalty.** A list of all items of personal property with an individual value exceeding \$200, including, but not limited to, household furniture, furnishings, antiques, artwork, vehicles, jewelry, coins, stamp collections, and similar items in which any party has an interest, together with the party's estimate of current fair market value (not replacement value) for each item.

CONTINUING DUTY TO SUPPLEMENT AND DISCLOSE:

The duty described in these rules shall be a continuing duty, and each party shall make additional or amended disclosures whenever new or different information is discovered or revealed. **Such additional or amended disclosures, including corrections to a party's financial disclosure form, shall be made not more than 14 days after the party acquires additional information or otherwise learns that in some material respect the party's disclosure is incomplete or incorrect.** However, if a hearing, deposition, case management conference, or other calendared event is scheduled

less than 14 days from the discovery date, then the update must be filed within 24 hours of the discovery of the new information.

I have attached a General Financial Disclosure Form for you to review and complete. Please be sure you understand what is expected of you and what documents and information you are required to provide. I am here to help you, and I would like to make a necessary legal process as manageable as possible. If you have *any* questions, please do not hesitate to contact me at your earliest convenience.

Respectfully,

THE COOLEY LAW FIRM

A handwritten signature in cursive script that reads "Shelly Booth Cooley".

Shelly Booth Cooley

State Bar of Nevada Certified Family Law Specialist