

Rule 67 - 13.04 Deposit of Funds with the Court.

(A) Receipt of Funds.

An order of Court is required for the deposit of funds into the registry of the Court. The instrument to be deposited in the registry must be made payable to Clerk, U.S. District Court. No third-party checks will be accepted. All monies ordered to be paid to the Court or received by its officers in any case pending or adjudicated will be deposited with the Treasurer of the United States in the name and to the credit of this Court pursuant to 28 U.S.C. § 2041.

(B) Investment of Funds.

(1) In any case in which the deposit of funds is governed by Fed.R.Civ.P. 67, the depositor must, before presenting to the Clerk the funds for deposit, obtain from the Court an order directing the Clerk to invest the funds in an interest-bearing account or instrument. The Clerk will deposit all such funds into the Court Registry Investment System (CRIS) as administered by the Administrative Office of the United States Courts (AOUSC) pursuant to 28 U.S.C. § 2045. The CRIS may consist of various funds as directed by the AOUSC. The Court may, by administrative order, adopt further guidance for deposit into various funds of CRIS, or such other directions for management of deposit of funds into CRIS as are necessary to enforce this rule.

(2) All interpleader funds deposited by this Court pursuant to 28 U.S.C. § 1335 will be considered Disputed Ownership Funds (DOF) for the purposes of Internal Revenue Service (IRS) tax administration. Unless otherwise ordered by the Court, all interpleader funds will be deposited in the DOF established within the CRIS and administered by the AOUSC, and the AOUSC will be responsible for meeting all DOF tax administration requirements.

(3) Funds deposited and held in the CRIS by this Court remain subject to the control and jurisdiction of this Court. Such funds will be pooled with like funds from other entities within the Federal Judiciary, and will be invested and administered pursuant to the CRIS investment policy as administered by the AOUSC.

(4) Per the direction of the AOUSC the Court will deduct a CRIS administrative fee for deposits in the CRIS fund, as follows:

(a) A CRIS fee of 10 basis points on assets on deposit for all CRIS funds, excluding the case funds held in the DOF, for the management of investments in CRIS;

(b) A CRIS fee of 20 basis points on assets on deposit in the DOF for management of investments and tax administration.

(5) In each fund the CRIS fee will be assessed only from interest earnings to the pool before a pro rata distribution of earnings is made to court cases.

(6) The effective date of the CRIS fee is December 1, 2016. The effective date of deposits to the DOF is April 1, 2017 or as soon thereafter as the fund begins accepting deposits. Deposits to the DOF will not be transferred from any existing CRIS funds. Only new deposits pursuant to 28 U.S.C. § 1335, after the fund begins accepting deposits, will be placed in the CRIS DOF fund.

(C) Disbursement of Funds.

(1) Pursuant to 28 U.S.C. § 2042, no funds deposited in the registry of the Court will be withdrawn except by order of Court. Unless otherwise ordered by the Court, withdrawals of registry funds will be made by check only.

(2) Cash bail is refunded when the purpose for which the bond was posted has been fully satisfied. The Court's Financial Deputy will attest that the conditions of the bond

have been satisfied prior to presentation to the Court. Cash deposited as security on a bond in a criminal case will be refunded in accordance with an affidavit of ownership filed pursuant to Local Rule 13.03(E). Instructions and proposed orders for the refund of cash bail are available from the Clerk.

(3) Upon adjudication of entitlement to interest-bearing registry funds, the Court may order the appropriate party to file a proposed order for disbursement of the fund. The proposed order must comply with the redaction requirements of Local Rule 2.17 and must contain the following:

- (a) the principal sum initially deposited;
- (b) the amount or amounts of principal to be disbursed;
- (c) the percentage of accrued interest payable with each principal amount, after the Clerk deducts from the total accrued interest the applicable administrative fee pursuant to the General Order of January 10, 1991;
- (d) to whom exactly each disbursement check should be made payable;
- (e) full mailing instructions for each disbursement check, including full street address and zip code; and
- (f) for funds not held in the DOF, the social security number or tax ID number of each recipient of accrued interest, and known attorney fees, which must be provided to the Finance Department of the Clerk's Office on a completed and signed I.R.S. Form W-9.

(4) Disbursement of funds will not be made until all applicable W-9 forms in a case are received. A copy of I.R.S. Form W-9 is available on the Court's website. The legal tax mailing address of the party must match I.R.S. records or the payee may be subject to backup

withholding of 28%. The Clerk will prepare and file I.R.S. Form 1099-INT with the I.R.S. pursuant to I.R.S. Ruling 76-50.

(Amended December 21, 2001, effective February 1, 2002; Amended July 10, 2006, effective August 28, 2006; Amended November 5, 2014, effective December 15, 2014; Amended October 5, 2016, effective December 1, 2016.)