

RULE 5095-1. DEPOSIT OF FUNDS IN THE REGISTRY ACCOUNT

(a) **Court Order Required.** When funds are sought to be deposited in the Registry Account of the court, the party or parties shall make application to the court for an order to invest the funds. No money shall be sent to the court or its officers for deposit into the court's registry without a court order signed by the presiding judge in the case or proceeding. The form of order submitted shall be in accordance with the following provisions of this Local Rule.

(b) **Identification of Institution.** An order directing the clerk to deposit funds in the Registry Account of the court shall specify the name of the bank or financial institution where the funds are to be invested, the type of account and the terms of the investment. Failure to specify these matters in the order shall result in the clerk exercising his or her discretion to determine the financial institution, type of account and terms of investment.

(c) **Authorized Institutions.** Funds can only be deposited in financial institutions designated in Department of the Treasury Circular 176 or at 31 C.F.R., Part 202, provided that such designated financial institution has pledged sufficient securities to secure the total sum of deposits in excess of FDIC coverage. Should the financial institution designated in the order not have sufficient securities pledged, the funds will be deposited in another financial institution of the clerk's choosing until the designated financial institution has pledged the required securities and the clerk has been provided with written verification. At that time, the funds will be transferred to the designated financial institution.

(d) **Order for Payment.** Payment of funds from any funds deposited pursuant to this Local Rule shall be by order of the court only. The form of order submitted shall contain the names of the parties to whom funds are to be paid and the amounts to be paid. After entry of an order for disbursement, the parties to whom funds are to be disbursed shall provide to the financial deputy their tax identification numbers or social security numbers and complete any forms required by the Internal Revenue Service for the reporting of earned interest. Disbursements may not be made until this information and the required Internal Revenue Service forms are submitted to the financial deputy.

(e) **Fee.** The clerk shall deduct from the income earned on the investment a fee, not exceeding that authorized by the Judicial Conference of the United States and set by the Director of the Administrative Office.

(f) **Cash Bonds.** Cash bonds posted with the court shall be deposited into the Registry Account in a financial institution of the clerk's choosing in a non-interest bearing account unless otherwise ordered by the court.

Committee Notes 2007: Subsection (a) clearly state long standing requirement of a court order for deposit of funds into the court registry. Former subsection (d) requirement that counsel serve a copy of an order depositing into or withdrawing from the court registry on the clerk and certain deputy clerks is withdrawn as the orders are now readily available on CM/ECF.