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2 **UNITED STATES BANKRUPTCY COURT**
3 **DISTRICT OF ARIZONA**
4

5 **In re:**

6 **ADOPTION OF REVISIONS**
7 **TO LOCAL RULE 5095-1**
8 **REGARDING REGISTRY FUNDS,**
9 **EFFECTIVE JUNE 1, 2012**

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)
) **GENERAL ORDER**
) **NO. 107**
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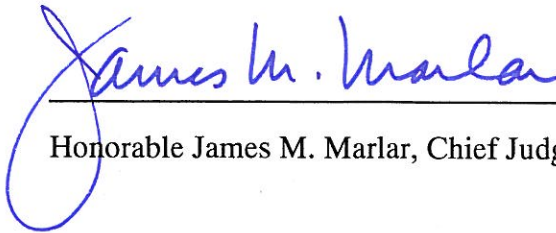
10 **WHEREAS**, Local Rule 5095-1 sets forth procedures for the handling of funds deposited
11 into the Registry Account of the court, including procedures directing the clerk to invest registry
12 funds in financial institutions,

13 **WHEREAS**, the Court Registry Investment System (CRIS), is a national investment
14 program managed by the Administrative Office of the United States Courts, designed to
15 effectively manage registry funds for participating courts,

16 **WHEREAS**, Local Rule 5095-1 has been revised to delete those procedures directing
17 the clerk to invest registry funds in financial institutions and substitutes new procedures directing
18 the clerk to deposit registry funds with CRIS.

19 **IT IS ORDERED** that the court adopts revisions to Local Rule 5095-1, effective for new
20 deposits to the Registry Account of the court received on or after June 1, 2012. (Copy of revised
21 Local Rule 5095-1, attached.)
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23 Dated this 14 of May, 2012

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26 _____
27 Honorable James M. Marlar, Chief Judge
28

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 deposit 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) **Investment of Registry Funds.** Where, by order of the court, funds on deposit with the court are to be placed in some form of interest bearing account, the clerk is directed to use the Court Registry Investment System (CRIS), administered by the Administrative Office of the United States Courts. CRIS shall be the only investment mechanism authorized.

(c) **Accounts in CRIS.** An account for each case will be established in CRIS, titled in the name of the case giving rise to the deposit of funds. Money from each case deposited in CRIS will be “pooled” together with those on deposit with Treasury to the credit of other courts in CRIS and used to purchase Government Account Series securities through the Bureau of Public Debt, held at Treasury. Income generated from fund investments will be distributed to each case. Reports showing the interest earned and the principal amounts contributed in each case shall be made available to litigants and counsel.

(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) **Deduction of Fees.** A registry fee is deducted from the income earned on the deposit of registry funds, based on rates published by the Director of the Administrative Office of the United States Courts, as approved by the Judicial Conference of the United States.

(f) **Cash Bonds.** Cash bonds posted with the court shall be deposited into the Registry Account of the court and the clerk is directed to use the Court Registry Investment System (CRIS), unless otherwise ordered by the court.

Committee Notes 2012: LR is revised to change procedures for investing court registry funds from directing the clerk to invest with financial institutions to directing the clerk to deposit funds with the Court Registry Investment System (CRIS), administered by the Administrative Office of United States Courts. Thus, subsections (b), (c), (e), and (f) have been revised to reference and explain

procedures for depositing court registry funds with CRIS. The revised LR applies to new registry funds deposited with the court on or after June 1, 2012.

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.