

Registry Fund Investments

Deposit of Funds with the Court

Occasionally, it may be necessary to deposit funds into the Court. In a civil case, a Court Order is required before funds will be receipted into the registry. The instrument to be deposited into the Court should be made payable to Clerk, U.S. District Court. Funds must be paid in U.S. currency drawn on a U.S. bank. Personal checks and third party checks are not accepted. The funds will be deposited into the registry fund of the Treasury unless governed by Fed.R.Civ.P 67, directing funds to be deposited into an interest-bearing account.

Funds Held in the Treasury

Funds deposited directly into the Treasury will be held by the Court referencing the case number and title. No interest is earned or accrued when held in the Treasury. Upon Order of the Court, the funds are disbursed as directed through the Clerk's Office.

Funds Held in Local Depository

Funds deposited under Rule 67 will be invested locally. An investment account will be opened for each deposit by the Court referencing the specific case number and title. The funds are normally deposited in commercial savings accounts at the Court's designated local depository unless a justification is provided showing good cause to place the money in a different instrument such as Certificates of Deposit.

Funds are disbursed from an investment account only upon Order of the Court and are subject to an administrative fee pursuant to General Order of the Judicial Conference. Typically the fee is equal to 10% of all income earned on the invested funds throughout the life of the investment and payable at the time the funds are distributed pursuant to Court Order. The 10% fee was applied to all registry deposits made on or after its effective date of December 1, 1990. However, on November 4, 1991 the Director of the Administrative Office of the United States Courts published a further revision to become effective on all income earned on and after February 3, 1992. The amendment reduces the fee on invested registry funds from a flat 10% to a variable rate based on the amount deposited and, in certain cases, on the length of time the funds are held in the Court's registry.

A proposed Order for Disbursement of the funds must contain the following information:

1. The principal sum initially deposited and date in which it was deposited;
2. The amount(s) of principal to be disbursed;
3. The percentage of accrued interest payable with each principal amount (after the Clerk deducts from the total accrued interest the applicable administrative fee as described above);
4. To whom exactly each disbursement check should be made payable; and
5. Full mailing instructions for each disbursement check, including complete street address and zip code.

NOTE: The social security number or tax ID number of each recipient of accrued interest, which will be used to issue 1099's at year end, must be provided directly to the Financial Department by each recipient via either an IRS W-9 or W-8BEN form.

Disbursements from the investment accounts will be made by check as the business of the Clerk's Office allows; no wire transfers are permitted. Disbursement checks may be picked up at the Clerk's Office if prior arrangements are made with the Financial Department. You may contact the Financial Department of the Clerk's Office at (716) 551-1730 to determine when the check will be available.