



UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

In re

**ORDER REGARDING
INVESTMENT OF
REGISTRY FUNDS**

GENERAL ORDER 13-01

This General Order is intended to supplement the Court's Local Bankruptcy Rule 7067-1. The Court, having determined that it is necessary to adopt local procedures to ensure uniformity in the investment of funds in the Court's Registry,

IT IS ORDERED that the following shall govern the deposit and investment of registry funds:

I. Investment of Registry Funds

A. Where, by order of the Court, funds on deposit with the Court are to be placed in some form of interest-bearing account, or invested in a court-approved, interest-bearing instrument in accordance with Rule 67 of the Federal Rules of Civil Procedure, the Court Registry Investment System (CRIS), administered by the Administrative Office of the United States Courts under 28 U.S.C. § 2045, shall be the only investment mechanism authorized.

B. The Director of Administrative Office of the United States Courts is designated as custodian for CRIS. The Director or the Director's designee shall perform the duties of custodian. Funds held in the CRIS remain subject to the control and jurisdiction of the Court.

C. Money from each case deposited in the CRIS shall be "pooled" together with those on deposit with Treasury to the credit of other courts in the CRIS and used to purchase Government Account Series securities through the Bureau of Public Debt, which will be held at Treasury, in an account in the name and to the credit of the Director of Administrative

Office of the United States Courts. The pooled funds will be invested in accordance with the principals of the CRIS Investment Policy as approved by the Registry Monitoring Group.

D. An account for each case will be established in the CRIS titled in the name of the case giving rise to the investment in the fund. Income generated from fund investments will be distributed to each case based on the ratio each account's principal and earnings has to the aggregate principal and income total in the fund. Reports showing the interest earned and the principal amounts contributed in each case will be prepared and distributed to each court participating in the CRIS and made available to litigants and/or their counsel.

II. Deductions of Fees

A. The custodian is authorized and directed by this Order to deduct the investment services fee for the management of investments in the CRIS and the registry fee for maintaining accounts deposited with the Court.

B. The investment services fee is assessed from interest earnings to the pool according to the Court's Miscellaneous Fee Schedule and is to be assessed before a pro rata distribution of earnings to court cases.

C. The registry fee is assessed by the custodian from each case's pro rata distribution of the earnings and is to be determined on the basis of the rates published by the Director of the Administrative Office of the United States Courts as approved by the Judicial Conference of the United States.

III. Transition From Former Investment Procedure

A. The Clerk of Court is further directed to develop a systematic method of redemption of all existing investments and their transfer to the CRIS.

B. This Order supersedes and abrogates all prior orders of this Court regarding the investment of registry funds.

Date:



PETER H. CARROLL

Chief Judge, United States Bankruptcy Court