

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW HAMPSHIRE**

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**GENERAL ORDER RE: ADOPTION OF ADMINISTRATIVE ORDER 7067-1**

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WHEREAS, by General Orders, this Court adopted the Local Bankruptcy Rules of the United States Bankruptcy Court for the District of New Hampshire (hereinafter referred to as the Local Bankruptcy Rules), Administrative Orders of the United States Bankruptcy Court for the District of New Hampshire (hereinafter referred to as Administrative Orders), and the Local Bankruptcy Forms of the United States Bankruptcy Court for the District of New Hampshire (hereinafter referred to as Local Bankruptcy Forms); and

WHEREAS, Local Bankruptcy Rule 9029-2 authorizes this Court to adopt administrative orders and forms for the conduct and disposition of proceedings before it and, from time to time, to alter and amend the same, provided that such administrative orders and forms are not inconsistent with the provisions of the United States Bankruptcy Code, Federal Rules of Bankruptcy Procedure or Local Bankruptcy Rules; it is hereby

ORDERED that the attached Administrative Order 7067-1 is hereby prescribed and promulgated pursuant to Local Bankruptcy Rule 9029-2 and shall take effect immediately, and shall govern all bankruptcy cases and proceedings thereafter commenced and, insofar as is just and practicable, all bankruptcy cases and proceedings then pending in this Court; and it is further

ORDERED that the clerk shall post a copy of this order in the clerk's office and on the Court's website at [www.nhb.uscourts.gov](http://www.nhb.uscourts.gov), indicating copies of the same are available upon request.

DATED and FILED this 29th day of October, 2021.

BY THE COURT:

/s/ Bruce A. Harwood  
Bruce A. Harwood  
Chief Bankruptcy Judge

## **AO 7067-1 Deposit, Investment, and Withdrawal of Registry Funds**

Having determined that it is necessary to adopt local procedures to ensure uniformity in the deposit, investment, and tax administration of funds in the Court's registry, the following shall govern the receipt, deposit, and investment of registry funds.

### *(a) Receipt of Funds.*

- (1) No money shall be sent to the Court or its officers for deposit in the Court's registry without a court order signed by the presiding judge in the case or proceeding.
- (2) The party making the deposit or transferring funds to the Court's registry shall serve the order permitting the deposit or transfer on the Clerk of Court.
- (3) Unless provided for elsewhere in this AO, all monies ordered to be paid to the Court or received by its officers in any case pending or adjudicated shall 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 through depositories designated by the Treasury to accept such deposit on its behalf.

### *(b) Investment of Registry Funds.*

- (1) 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 7067 of the Federal Rules of Bankruptcy Procedure and 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.
- (2) Interpleader funds deposited under 28 U.S.C. § 1335 meet the IRS definition of a Disputed Ownership Fund ("DOF"), a taxable entity that requires tax administration. Unless otherwise ordered by the Court, interpleader funds shall be deposited in the DOF established within the CRIS and administered by the Administrative Office of the United States Courts, which shall be responsible for meeting all DOF tax administration requirements.
- (3) The Director of Administrative Office of the United States Courts is designated as custodian for all CRIS funds. 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.
- (4) 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 principles of the CRIS Investment Policy as approved by the Registry Monitoring Group.

(5) An account will be established in the CRIS Liquidity Fund titled in the name of the case giving rise to the deposit invested 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 after the CRIS fee has been applied. 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.

(6) For each interpleader case, an account shall be established in the CRIS Disputed Ownership Fund, titled in the name of the case giving rise to the deposit invested in the fund. Income generated from fund investments will be distributed to each case after the DOF fee has been applied and tax withholdings have been deducted from the fund. Reports showing the interest earned and the principal amounts contributed in each case will be available through the FedInvest/CMS application for each court participating in the CRIS and made available to litigants and/or their counsel. On appointment of an administrator authorized to incur expenses on behalf of the DOF in a case, the case DOF funds should be transferred to another investment account as directed by court order.

*(c) Fees and Taxes.*

(1) The custodian is authorized and directed by this AO to deduct the CRIS fee of an annualized 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 the CRIS. According to the Court's Miscellaneous Fee Schedule, the CRIS fee is assessed from interest earnings to the pool before a pro rata distribution of earnings is made to court cases.

(2) The custodian is authorized and directed by this AO to deduct the DOF fee of an annualized 20 basis points on assets on deposit in the DOF for management of investments and tax administration. According to the Court's Miscellaneous Fee Schedule, the DOF fee is assessed from interest earnings to the pool before a pro rata distribution of earnings is made to court cases. The custodian is further authorized and directed by this Order to withhold and pay federal taxes due on behalf of the DOF.

*(d) Withdrawal of Funds.* No funds may be paid out of the Court's registry except by court order. Any party seeking to withdraw monies from the registry must file and serve a motion requesting such withdrawal, together with a proposed order, stating the amount to be disbursed to each party, and each party's name, address, and tax identification number. The authorized

custodian shall disburse all registry principal and income, if applicable, less the registry fee assessment and/or taxes, pursuant to the Court's order.