

NOTICE TO FINANCIAL INSTITUTION TO ESTABLISH IOLTA ACCOUNT

Instructions for Lawyers

Fill out both pages of this form and return via email or fax to the Lawyers Trust Fund of Illinois.

To: _____ From: _____
(Financial Institution) (Lawyer/Firm)

(Financial Institution Address) (Lawyer/Firm Address)

(City, State, Zip Code) (City, State, Zip Code)

Date: _____



Email: IOLTAREPORT@LTF.ORG
Fax: 312.938.3091

Pursuant to Illinois Rule of Professional Conduct 1.15B, the undersigned directs the financial institution to establish an interest- or dividend-bearing lawyer trust account with interest or dividends payable to the Lawyers Trust Fund of Illinois (hereinafter "IOLTA account") for the deposit of nominal and short-term client funds.

Instructions for Financial Institutions

The Federal Reserve System and the Federal Home Loan Bank Board have approved the establishment of IOLTA accounts by law firms, including professional corporations. The Lawyers Trust Fund will provide supporting documentation regarding government rulings upon request.

Eligible Financial Institution: IOLTA accounts may be maintained only at an eligible financial institution as defined in Rule 1.15B(c). Eligible financial institutions must offer IOLTA accounts that meet the Comparable Rate Requirement of Rule 1.15B and must agree to provide dishonored instrument notification pursuant to Rule 1.15B(e).

Account Name: The IOLTA account and checks printed for customers' use **CANNOT** identify the Lawyers Trust Fund in its account title, as designee, trustee or owner. Instead, the account name should include the name of the lawyer or law firm and a designation such as client funds account, IOLTA account, or client trust account.

Tax Information: Any interest earned on this IOLTA account should be attributed to the TIN of the Lawyers Trust Fund of Illinois (contact LTF for details). IRS Form W-9 should bear the LTF's TIN as payee and certify exemption from backup withholding taxes. Contact the Lawyers Trust Fund for a signed Form W-9.

The Lawyers Trust Fund is tax-exempt. **No Form 1099 should be issued** for the IOLTA account. Further, a payor is not liable for a penalty under Section 6676(b) for filing an information return with a mismatched TIN number when, pursuant to IRS regulation Section 35a.9999-1, A-29, and IRS Publication 1281 (Rev. 8-90), p. 42, the payee is an exempt organization.

Interest calculation: Interest should be calculated on the average monthly balance in the account, or as otherwise computed in accordance with the financial institution's standard practices.

Interest remittance: Interest must be remitted electronically to the Lawyers Trust Fund **monthly** unless otherwise approved by the Lawyers Trust Fund. Remittances must be sent via **ACH to Bank of America (contact LTF for details)**. **ONLY if approved**, checks can be mailed to: **Lawyers Trust Fund of Illinois, P.O. Box 64547, Chicago, Illinois 60664**.

Reporting requirements: Each remittance must be accompanied by an **Interest Remittance Report** that is sent electronically via secure or encrypted email to IOLTAREPORT@LTF.ORG unless otherwise approved by the Lawyers Trust Fund. If approved, reports can be submitted via fax to 312.938.3091.

For each account, the Interest Remittance Report must contain: 1) Bank routing number, 2) Account Number, 3) Name of the lawyer or law firm; 4) Account Status; 5) Dates of reporting period; 6) Rate of interest paid; 7) Gross interest; 8) Allowable service charges, if any; and 8) Net interest remitted.

Negative netting is not permitted. Under no circumstances can the negative interest balance be deducted from the corpus of an IOLTA account. Fees charged in excess of the earnings accrued on an individual account for any month cannot be taken out of earnings accrued on other IOLTA accounts nor from the principal of the account.

Questions: Call Monday - Friday, 9 a.m. to 4 p.m. (312) 938-2906 or via email to: IOLTAREPORT@LTF.ORG

NOTICE OF ENROLLMENT IN THE IOLTA PROGRAM

After completing send this notice to the Lawyers Trust Fund

via email: IOLTAREPORT@LTF.ORG

via fax: 312.938.3091

Date: _____

The undersigned, in accordance with Illinois Rule of Professional Conduct 1.15B, has established an IOLTA account for the deposit of IOLTA-eligible client funds with the eligible financial institution specified below. I have directed the financial institution to remit interest on the account to the Lawyers Trust Fund of Illinois. My/my law firm's contact and account information are below.

FINANCIAL INSTITUTION INFORMATION:

(Account Name) (Account Number)

(Financial Institution) (Routing Number)

(Financial Institution Address)

(City) (State) (Zip Code)

(Financial Institution Contact) (Telephone Number) (County)

LAWYER INFORMATION:

(Lawyer or Law Firm) *Print Name*

(By) *Signature*

(Firm Address)

(City) (State) (Zip Code)

(Telephone Number) (County) (Email Address)