



# IOLTA Handbook for Financial Institutions

## Interest on Lawyers' Trust Accounts

### **Operations Handbook for Financial Institutions: (Original 2007) (Revised 2010) (Revised 2012)**

This on-line handbook was produced by the Alabama Civil Justice Foundation for the sole purpose of providing information to participating financial institutions in establishing and maintaining Interest on Lawyers' Trust Accounts (IOLTA) in the state of Alabama. The content of this book is furnished for informational use only and is subject to change without notice.

The Alabama Civil Justice Foundation assumes no responsibility or liability for any errors or inaccuracies that may appear in this book. Updates to this Handbook and supplemental information may be found on the ACJF Web site ([www.acjf.org](http://www.acjf.org)).

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July 2010

Dear Financial Institutions:

The Alabama Civil Justice Foundation is so pleased to have worked with financial institutions across this state for the past 18 years. The IOLTA (Interest on Lawyers Trust Accounts) program has allowed some of the most outstanding members of the financial, legal, and nonprofit communities to partner together to create better communities and stronger families, to protect our young and old and disabled, and to ensure that justice is available to all. We are excited about the potential for even more substantial impact throughout our state in the coming years.

The Alabama Supreme Court, which establishes rules governing the Alabama IOLTA program, recently approved significant changes to Rule 1.15 of the Rules of Professional Conduct that will go into effect on January 1, 2008. For your information and future reference, the Foundation has created this Operations Handbook for Financial Institutions to provide information on the updated rules, practices and polices.

We hope that you find this handbook helpful in the effective and efficient administration of IOLTA accounts held at your financial institution. ACJF staff will use the ACJF website ([www.acjf.org](http://www.acjf.org)) to post any future updates or corrections to this handbook.

The Foundation is available to assist your institution with any questions or concerns regarding Alabama's IOLTA Program. Please do not hesitate to contact us at 334.263.3003.

Sincerely,

A handwritten signature in black ink that reads "Sue H. McInnish".

Sue H. McInnish.  
Executive Director

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# Introduction to the IOLTA Program

## *What is IOLTA?*

**IOLTA** is the acronym for “Interest on Lawyers’ Trust Accounts.” Lawyers place nominal or short-term deposits, which are held in trust for the client for future use, into these pooled, interest bearing checking accounts. Attorneys are required to use such accounts, in part, because of a prohibition from collecting interest on client funds for themselves, and because the cost of establishing individual accounts for deposit of escrow funds outweighs the gain on any interest earned.

Some examples of the types of funds to be placed in IOLTA accounts are retainers, deposits for fees and costs associated with court filings, personal injury awards, litigation settlements prior to disbursement, deposits required to close property transactions, and funds belonging in part to the client and in part to the attorney.

## *Alabama’s IOLTA Program – Alabama Civil Justice Foundation*

The Alabama Civil Justice Foundation was created as a nonprofit organization in 1992 and given permission to receive and disburse IOLTA funds by the Alabama Supreme Court later that year. Charitable contributions, primarily from Alabama’s legal community, are also received by the Foundation. Since its creation, ACJF has awarded nearly \$9 million in grants to worthwhile charitable organizations. ACJF grants have benefited Alabama’s poorest citizens and have supported organizations working to provide for basic human needs such as food, shelter and adequate healthcare; improve educational opportunities; strengthen families and communities; protect children; and secure access to the justice for our poorest citizens.

ACJF is considered among the philanthropic leaders in the state because of its innovative grantmaking and willingness to dive into tough community issues. ACJF was the first foundation in the state to make capacity building grants to nonprofits providing support for strengthening the organization’s ability to achieve its mission. Last year, the Foundation provided the lead gift to create the Alabama School Readiness Alliance that is advocating for expansion of state-funded pre-k classrooms in our state. This year, the Foundation sponsored the Medicare Protection Campaign, a public awareness effort to warn Alabama’s elderly citizens of unscrupulous tactics by sales agents; and provided support for legal aid for the poor in areas concerning family law issues.

These and many other grants represent the work of ACJF. Bank personnel may refer local organizations that may be interested in applying for an ACJF grant to the Grant Guidelines and Application on our website [www.acjf.org](http://www.acjf.org).

## **IOLTA HISTORY**

IOLTA concepts developed in Australia and Canada in the early 1960’s and the first IOLTA program in the United States started in 1981 in the state of Florida. In response to decreased federal funding for civil legal services in the late 1980’s and early 1990’s, state courts and legislatures created IOLTA /IOTA programs to ensure adequate funding for legal aid attorneys assisting low-income clients. By 1995, all fifty states and the District of Columbia had established IOLTA programs.

# Benefits to Participating Banks

Although participation in the Alabama IOLTA Program is mandatory for attorneys, participation is not mandatory by financial institutions. Financial institutions across the state and nation have found IOLTA participation can result in many significant benefits to the financial institution. Not offering IOLTA accounts may negatively impact relationships with current and future clients seeking a full service institution.

The following are some specific benefits associated with participation in Alabama IOLTA Program:

## **The Program Is Highly Publicized.**

Financial institutions are partners with the ACJF in the IOLTA program, and financial institution IOLTA participation is publicized to Alabama attorneys through ACJF, State Bar and Alabama Association for Justice publications. Those institutions with the most favorable IOLTA account policies (e.g., waived service charges, higher interest rates, etc.) are further highlighted, and as a result, receive significant referral business.

## **Helping the Poor in Your Community Is Good Public Relations.**

Your participation may also be described in your banking information brochures, newsletters, annual reports, and other publications to let shareholders, existing and potential customers, and investors know that your institution is a partner in developing resources to strengthen families, protect children and our elderly, and ensure access to justice for those in need statewide and in your own community. The Alabama Civil Justice Foundation can provide grant information in your geographic service area to facilitate this process.

## **IOLTA Accounts Are Good Business.**

Promoting IOLTA is good business for your institution. Since an IOLTA account is a pooled client funds' account, average balances can often run significantly higher than similar deposit accounts, and as a class of accounts, offer greater potential for low-cost deposits. Further, attorneys are an excellent source for cross-selling banking services, such as consumer and business loans, other deposit accounts, mortgage services, and escrow services. Since all lawyers with trust accounts will have to utilize an eligible financial institution for their IOLTA, offering an IOLTA is simply smart business. For these reasons, and the charitable purpose for which IOLTA accounts were developed, your participation in this Program can be a very positive undertaking for your institution.

**For additional information on these benefits and assistance in marketing these benefits, please contact the Alabama Civil Justice Foundation.**

# IOLTA Eligibility for Financial Institutions

Alabama Lawyers are only allowed to have an IOLTA in an eligible institution as defined by the Rules of Professional Conduct, approved by the Alabama Supreme Court. Eligibility is determined by the following criteria.

- Any bank or savings and loan association authorized by federal or state laws to do business in Alabama, whose deposits are insured by an agency of the federal government,

*or*

- any open-end investment company registered with the Securities and Exchange Commission and authorized by federal or state laws to do business in Alabama

*and*

meets the requirements set out in Section (g) of Rule 1.15 including summarized below:

*(Click here for full document)*

- **Interest Rates: “Comparability Rule”**

Alabama IOLTA rules require that the rate of interest payable on an IOLTA account shall not be less than the rate paid by the financial institution to its regular depositors. The rate may be higher if there is no impairment of the right to the immediate withdrawal or transfer of the principal. If a tiered rate for larger balances is offered on similar accounts, it should also be offered for IOLTA accounts. Eligible institutions must pay at least the highest interest rate or dividend the financial institution offers to its non-IOLTA customers when the IOLTA account meets or exceeds the same minimum balance and other eligibility requirements, if any. The institution shall pay on IOLTA accounts the highest interest rate or dividend generally available among the allowable product types.

As an alternative, the institution may pay, an amount on funds, net of allowable reasonable fees, equal to 55% of the Federal Funds Target Rate as of the first business day of the IOLTA remitting period.

An “**Account Option/Rate Selection for IOLTA Accounts**” form (located at [www.acjf.org](http://www.acjf.org)) should be submitted to ACJF to verify compliance with the “Comparability Rule.” [Click Here.](#)

- **Allowable, Reasonable Fees:** Only the following fees may be deducted from the interest earned on an IOLTA account and only at rates and under the same circumstances as is the customary practice for non-IOLTA customers.

**Ineligible Fees and Charges on IOLTA Accounts:**

Check Printing Charges  
Cash management fees  
Insufficient Fund Charges  
Stop Payments  
Return Deposit Fees  
Teller and ATM Fees  
Electronic Transfer Fees

- (1) per check charges,
- (2) per deposit charges,
- (3) a fee in lieu of minimum balance,
- (4) Federal deposit insurance fees,
- (5) sweep fees, and
- (6) a reasonable IOLTA account administrative fee.

Each account holder should make arrangements with the financial institution regarding ineligible fees and charges. The law firm may wish you to charge those fees to a business account.

***Financial Institutions may elect to pay higher rates than required by the rule or waive any or all fees on IOLTA accounts. ACJF will recognize these institutions through the ACJF Leadership Bank Program.***

*ACJF staff is available to discuss compliance with bank officials.*

## Opening An IOLTA Account

An IOLTA account is established and maintained for the purpose of depositing client funds held by the attorney or law firm. The request to establish an IOLTA account is made by an attorney to their financial institution. The Alabama Civil Justice Foundation has an IOLTA [Establishment Form](#) which may be used for this purpose. [Click Here](#)

**Setting Up An IOLTA Account Is As Easy As 1, 2, 3 . . .**

- 1. Establish the new account as a NOW, money market, or a sweep account.**
- 2. Assign the account with ACJF's IOLTA Tax Identification Number.**
- 3. Properly identify the account as an IOLTA account.**

Other steps may be required to establish an account at your financial institution, but these are the minimum requirements for an IOLTA account.

**Federal Tax Identification Number.** The federal tax identification number assigned to all Alabama Civil Justice Foundation IOLTA accounts is **63-1068740**. Financial institutions should not assign the tax I.D. number of the lawyer, or law firm, or their client depositors on an IOLTA account. Form 1099 reporting is not required. If IRS 1099 reports cannot be suppressed by the financial institution's data processing system, then the Alabama Civil Justice Foundation should be listed as the owner of the tax identification number. We will sign an IRS 1099 if your procedures require.

**Account Type.** The following type accounts are allowed for IOLTA accounts: (1) a negotiable order or withdrawal (NOW) account, or business checking account with interest, (2) a business checking account with an automated, money market, sweep or other similar account (3) a government (such as for municipal deposits) interest-bearing checking account, (4) a checking account paying preferred interest rates (such as money market or indexed rates) or (5) any other suitable interest or dividend bearing account offered by the institution to its non-IOLTA customers.

While it is not required, many institutions have found that by assigning a specific account type to all IOLTA accounts, they can avoid potential problems with the unique requirements of these accounts.

**New Product Not Required:** Banks are not being asked to create a new product for IOLTAs, but to use a product at the bank that has better yields. If a bank does not wish attorney trust accounts to use those higher yielding products, then the bank should offer the same higher rate on the existing IOLTA product offered by the bank. (Rate comparability has been required since 2003) Unless they wish to, banks are not required to change anything about their IOLTA operation except paying IOLTA what they pay other customers who meet the same minimum balance requirement, if any.

**Most financial institutions establish a General Ledger account for the deposit of the interest earned (minus eligible service charges) on all ACJF/IOLTA accounts and another general ledger account for all ALF/IOLTA accounts. These deposits are made at the end of each month.**

## Remittance Process

The remittance process is a two-step process—remitting account proceeds and reporting account information. Both steps should be performed at the same time on either a monthly or quarterly basis.

### INTEREST

Participating financial institutions must remit to the Alabama Civil Justice Foundation, as designated by an attorney or law firm, the net interest earned on ALL IOLTA accounts that are maintained at its institution. The reporting period must be for the period beginning on the first day of the month or quarter and ending on the last day of the month or quarter, depending on which reporting period is used

**The interest can be remitted to the ACJF in any of the following ways:**

***ACH Transfer:*** Use Sterling Bank Account #1005266885 and Sterling Bank routing #062203997

***Cashiers Check:*** Made out to the Alabama Civil Justice Foundation to the ACJF and mailed to P.O. Box 1549, Montgomery, AL 36102-1549.

## **REPORTS**

Remittance reports must include the following information on each account.

- Time period for which interest earned
- Account Number
- Account Name
- Interest Rate
- Balance used to calculate interest earned
- Gross interest earned during the period
- Amount, if any, subtracted for service charges
- Amount Remitted

### **Methods for reporting account information to the ACJF:**

- (1) An IOLTA Remittance Form, available on the ACJF, website [www.acjf.org](http://www.acjf.org), that may be used by financial institutions to transmit the required account information. [Click Here.](#)
- (2) If the financial information so chooses, an individualized format may be used to report IOLTA account information as long as it contains the information listed above.
- (3) In order to minimize a financial institution's efforts in remitting to the IOLTA Program, the ACJF has available a software package that allows IOLTA reports to be imported using magnetic information and assists financial institutions in preparing the IOLTA Remittance Reports. A Management Guide can be found as an attachment to this document.

#### General Description:

- Eliminates the financial institution's normal remittance process completely, no internal debit memos, no reports, no checks.
- Modifies the financial institution's analysis software to produce a file for the IOLTA account's information
- Transmits the file via zmodem, or email to the ACJF.
- The ACJF processes the remittances through ACH.
- Only corrections and adjustments are provided via paper reports.

#### Magnetic File Reporting Requirements:

- ASCII Flat file Format Fixed field and record length or comma delimited, no binary data.
- 9600-56K Baud modem.zmodem preferred but xmodem & ymodem file transmissions are accepted.
- FTP on a secure web site is accepted.
- Encrypted email now accepted.

**Please note that a statement with the individual remittance information should also be sent to the Attorney/Firm creating the IOLTA Account.**

The effective date for the Rule is January 1, 2008. This handbook is provided for informational purposes only. To ensure that a financial institution complies with the rules and regulations regarding IOLTA accounts Rule 1.15, a complete copy of which is attached to this handbook, should be reviewed by the financial institution.

Do not hesitate to contact the ACJF staff with any questions you may have. Our phone number is 334-263-3003.

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# ATTACHMENTS

- (A) RULE 1.15
- (B) Account Option/Rate Selection for IOLTA Accounts Form
- (C) IOLTA Establishment Form
- (D) IOLTA Remittance Form
- (E) ACH-IOLTA Management Guide for Remittance File Preparation

## APPENDIX A

### Rule 1.15 SAFEKEEPING PROPERTY

Definitions. As used in this rule, the terms below shall have the following meaning:

"IOLTA account" means a pooled interest- or dividend-bearing trust account benefiting the Alabama Law Foundation or the Alabama Civil Justice Foundation established in an eligible institution for the deposit of nominal or short-term funds of clients or third persons;

"Eligible institution" means any bank or savings and loan association authorized by federal or state laws to do business in Alabama, whose deposits are insured by an agency of the federal government, or any open-end investment company registered with the Securities and Exchange Commission and authorized by federal or state laws to do business in Alabama. Eligible institutions must meet the requirements set out in section (g).

"Interest- or dividend-bearing trust account" means a federally insured checking account or a business checking account with an automated investment feature, such as an overnight sweep and investment in a government money market fund or daily (overnight) financial-institution repurchase agreement invested solely in or fully collateralized by U.S. Government Securities. A daily financial-institution repurchase agreement may be established only with an eligible institution that is "well capitalized" or "adequately capitalized" as those terms are defined by applicable federal statutes and regulations. An open-end money-market fund must hold itself out as a money-market fund as defined

by applicable federal statutes and regulations under the Investment Company Act of 1940, and, at the time of the investment, have total assets of at least \$250,000,000. The funds covered by this rule shall be subject to withdrawal upon request and without delay except as permitted by law.

"Allowable, Reasonable Fees" means: (1) per check charges, (2) per deposit charges, (3) a fee in lieu of minimum balance, (4) Federal deposit insurance fees, (5) sweep fees, and (6) a reasonable IOLTA account administrative fee.

"U.S. Government Securities" means U.S. Treasury obligations and obligations issued or guaranteed as to principal and interest by the United States or any agency or instrumentality thereof.

a) A lawyer shall hold the property of clients or third persons that is in the lawyer's possession in connection with a representation separate from the lawyer's own property. Funds shall be kept in a separate account maintained in the state where the lawyer's office is situated, or elsewhere with the consent of the client or third person. No funds of a lawyer shall be deposited in such a trust account, except (1) un-earned attorney fees that are being held until earned, and (2) funds sufficient to pay bank service charges on that account or to obtain a waiver thereof. Interest or dividends, if any, on funds, less fees charged to the account, other than overdraft and returned item charges, shall belong to the client or third person, except as provided in Rule 1.15(g), and the lawyer shall have no right or claim to the interest. Other property shall be identified as such and appropriately safeguarded. Complete records of such account funds and other property shall be kept by the lawyer and shall be preserved for six (6) years after

termination of the representation.

A lawyer shall designate all such trust accounts, whether general or specific, as well as deposit slips and all checks drawn thereon, as either an "Attorney Trust Account," an "Attorney Escrow Account," or an "Attorney Fiduciary Account." A lawyer shall designate all business accounts, as well as other deposit slips and all checks drawn thereon, as a "Business Account," a "Professional Account," an "Office Account," a "General Account," a "Payroll Account," or a "Regular Account." However, nothing in this Rule shall prohibit a lawyer from using any additional description or designation for a specific business or trust account, including, for example, fiduciary accounts maintained by the lawyer as executor, guardian, trustee, receiver, or agent or in any other fiduciary capacity.

(b) Upon receiving funds or other property in which a client or third person has an interest from a source other than the client or the third person, a lawyer shall promptly notify the client or third person. Except as stated in this Rule or otherwise permitted by law or by agreement with the client, a lawyer shall promptly deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, upon request by the client or third person, shall promptly render a full accounting regarding that property.

(c) When in the course of representation a lawyer is in possession of property in which both the lawyer and another person claim interests, the property shall be kept separate by the lawyer until there is an accounting and a severance of their interests. If a dispute arises concerning their respective interests, the portion in dispute shall be kept separate by the lawyer until the dispute is resolved.

(d) A lawyer shall not make disbursements of a

client's funds from separate accounts containing the funds of more than one client unless the client's funds are collected funds; provided, however, that if a lawyer has a reasonable and prudent belief that a deposit of an instrument payable at or through a bank representing the client's funds will be collected promptly, then the lawyer may, at the lawyer's own risk, disburse the client's uncollected funds. If collection does not occur, then the lawyer shall, as soon as practical, but in no event more than five (5) working days after notice of noncollection, replace the funds in the separate account.

(e) A lawyer shall request that the financial institution where the lawyer maintains a trust account file a report to the Office of General Counsel of the Alabama State Bar in every instance where a properly payable item or order to pay is presented against a lawyer's trust account with insufficient funds to pay the item or order when presented and either (1) the item or payment order is returned because there are insufficient funds in the account to pay the item or order or, (2) if the request is honored by the financial institution, and overdraft created thereby is not paid within 3 business days of the date the financial institution sends notification of the overdraft to the lawyer. The report of the financial institution shall contain the same information, or a copy of that information, forwarded to the lawyer who presented the item or order.

A lawyer shall enter into an agreement with the financial institution that holds the lawyer's trust account pursuant to which the financial institution agrees to file the report required by this Rule. Every lawyer shall have the duty to assure that his or her trust accounts maintained with a financial institution in Alabama are pursuant to such an agreement. This duty belongs to the lawyer and not to the financial institution. The filing of a report with the Office of

General Counsel pursuant to this paragraph shall constitute a proper basis for an investigation by the Office of General Counsel of the lawyer who is the subject of the report, pursuant to the Alabama Rules of Disciplinary Procedure. Nothing in this Rule shall preclude a financial institution from charging a lawyer or a law firm a fee for producing the report and maintaining the records required by this Rule. Every lawyer and law firm maintaining a trust account in Alabama shall hereby be conclusively deemed to have consented to the reporting and production requirements mandated by this Rule and shall hold harmless the financial institution for its compliance with the aforesaid reporting and production requirements. Neither the agreement with the financial institution nor the reporting or production of records by a financial institution made pursuant to this Rule shall be deemed to create in the financial institution a duty to exercise a standard of care or a contract with third parties that may sustain a loss as a result of a lawyer's overdrawing a trust account.

A lawyer shall not fail to produce any of the records required to be maintained by these Rules at the request of the Office of General Counsel, the Disciplinary Commission, or the Disciplinary Board. This obligation shall be in addition to, and not in lieu of, any other requirements of the Rules of Professional Conduct or Rules of Disciplinary Procedure for the production of documents and evidence.

(f) A lawyer, except a lawyer not engaged in active practice pursuant to Alabama Code 1975, §§ 34-3-17 and -18, shall maintain a separate account to hold funds of a client or third person. Every lawyer admitted to practice in this State shall annually certify to the Secretary of the Alabama State Bar that all IOLTA eligible funds are held in an IOLTA Account, or that the lawyer is exempt because the lawyer: does not have an office within the State of Alabama; does not hold

funds for clients or third persons, is not engaged in the active practice of law; is a judge, attorney general, public defender, U.S. attorney, district attorney, on duty with the armed services or employed by a local, state or federal government, and is not otherwise engaged in the private practice of law; or is a corporate or other in-house counsel or teacher of law and is not otherwise engaged in the private practice of law. Certification may be made by a firm on behalf of all lawyers in a firm.

(g) Lawyers shall hold in IOLTA accounts all funds of clients or third persons that are nominal in amount or that the lawyer expects to be held for a short period and from which no income could be earned for the client or third person in excess of the costs incurred to secure such income. In no event shall a lawyer receive the interest on an IOLTA account.

In determining whether to deposit funds into an IOLTA account, a lawyer shall consider the following factors: the amount of interest or dividends likely to be earned during the period the funds are expected to be deposited, as well as the estimated cost of establishing and administering a non-IOLTA trust account for the benefit of the client or third person, including the cost of the lawyer's services and the cost of preparing any tax reports required for interest accruing to the benefit of a client or third person, the ability of financial institutions or lawyers or law firms to calculate and pay interest to individual clients or third persons; and any other circumstances that affects the ability of the client or third person funds to earn income in excess of the costs incurred to secure such income. A lawyer shall review the IOLTA account at reasonable intervals to determine whether changed circumstances require further action with respect to the funds of any client or third person.

The determination of whether the funds of a client

or third person can earn income in excess of costs as provided in (g) above shall rest in the sound judgment of the lawyer or law firm, and no lawyer shall be charged with an ethical impropriety or breach of professional conduct based on the good faith exercise of such judgment.

Offering IOLTA accounts is voluntary for financial institutions. Lawyers may only place trust accounts in eligible institutions that meet the requirements of this rule, including:

Interest Rates: Eligible institutions shall pay on IOLTA accounts the highest interest rate or dividend the financial institution offers to its non-IOLTA customers when the IOLTA account meets or exceeds the same minimum balance and other eligibility requirements, if any.

A financial institution shall pay on IOLTA accounts the highest interest rate or dividend generally available among the following product types or any comparable product type (if the product type is available from the financial institution to its non-IOLTA customers) by either using the identified product type as an IOLTA account or paying the equivalent interest rate or dividend on the existing IOLTA account in lieu of actually establishing the highest interest rate or dividend product:

1. An interest bearing checking account such as a negotiable order of withdrawal (NOW) account, or business checking account with interest.
2. A business checking account with an automated investment feature, such as an overnight sweep and investment in repurchase agreements or money market funds as described in the definitions.
3. A government (such as for municipal deposits)

interest-bearing checking account.

4. A checking account paying preferred interest rates, such as money market or indexed rates.

5. Any other suitable interest - or dividend - bearing account offered by the institution to its non-IOLTA customers.

As an alternative, the financial institution may pay:

6. An amount on funds, net of allowable reasonable fees, which would otherwise qualify for investment options described in (1) through (4) above equal to 55% of the Federal Funds Target Rate as of the first business day of the quarter or other IOLTA remitting period.

The following considerations will apply to determinations of comparability:

1. Accounts that have limited check-writing capability required by law or government regulation may not be considered as comparable to IOLTA in Alabama. Such accounts, however, are distinguished from checking accounts that pay money-market interest rates on account balances without the check-writing limitations. Such accounts are included in the option 4 class identified above. Additionally, rates that are not generally available to other account holders, such as special promotional rates used to attract new customers, are not considered for comparability in Alabama.

2. For the purpose of determining compliance with the above provisions, all participating financial institutions shall report in a form and manner prescribed by the Alabama Law Foundation and Alabama Civil Justice Foundation the highest interest or

dividend rate for each of the accounts they offer within the above listed account types. The foundations will certify participating financial institutions' compliance with this rule on an annual basis.

3. In determining the highest interest rate or dividend generally available from the institution to its non-IOLTA customers, the eligible institution may consider factors, in addition to the IOLTA account balance, customarily considered by the institution when setting interest rates or dividends for its customers, provided that those factors do not discriminate between IOLTA accounts and accounts of non-IOLTA customers and provided further that those factors do not include that the account is an IOLTA account.

Pursuant to a written agreement between the lawyer and the eligible institution, interest on the IOLTA account shall be remitted at least quarterly to the Alabama Law Foundation or the Alabama Civil Justice Foundation, as the lawyer shall designate.

Interest or dividends shall be calculated in accordance with the institution's standard practice for non-IOLTA account customers, less reasonable fees, if any, in connection with the deposited funds.

Allowable reasonable fees, as defined in this rule, are the only service charges or fees permitted to be deducted from interest or dividend earned on IOLTA accounts. Allowable reasonable fees may be deducted from interest or dividends on an IOLTA account only at such rates and under such circumstances as is the eligible institution's customary practice for its non-IOLTA customers. All other fees and charges shall not be assessed against the interest or dividends earned on the IOLTA account, but rather shall be the responsibility of, and may be charged to, the lawyer

maintaining the IOLTA account.

Fees or charges in excess of the interest or dividend earned on the account for any month or quarter shall not be taken from interest or dividend earned on other IOLTA accounts or from the principal of the account.

Financial institutions may elect to pay higher rates than required by this rule or waive any or all fees on IOLTA accounts.

A statement should be transmitted to the Alabama Law Foundation or the Alabama Civil Justice Foundation with each remittance showing the period for which the remittance is made, the name of the lawyer or law firm from whose IOLTA account the remittance is being sent, the IOLTA account number, the rate of interest applied, the gross interest or dividend earned during the period, the amount and description of any service charges or fees assessed during the remittance period, if any, the average account balance for the remittance period, and the net amount of interest or dividend remitted for the period. A copy of the statement shall also be sent to the lawyer.

(h) All interest or dividends transmitted to and received by the Alabama Law Foundation pursuant to Rule 1.15(g) shall be distributed by it for one or more of the following purposes:

- (1) to provide legal aid to the poor;
- (2) to provide law student loans;
- (3) to provide for the administration of justice;
- (4) to provide law-related educational programs to the public;

(5) to help maintain public law libraries; and

(6) for such other programs for the benefit of the public as the Supreme Court of the State of Alabama specifically approves from time to time.

(i) All interest or dividends transmitted to and received by the Alabama Civil Justice Foundation pursuant to Rule 1.15(g) shall be distributed by it for one or more of the following purposes:

(1) to provide financial assistance to organizations or groups providing aid or assistance to:

(A) underprivileged children;

(B) traumatically injured children or adults;

(C) the needy;

(D) handicapped children or adults; or

(E) drug and alcohol rehabilitation programs.

(2) to be used in such other programs for the benefit of the public as the Supreme Court of the State of Alabama specifically approves from time to time.

(j) A lawyer shall not fail to produce, at the request of the Office of General Counsel, the Disciplinary Commission, or the Disciplinary Board, any of the records required to be maintained by these Rules. This obligation shall be in addition to, and not in lieu of, any other requirements of the Rules of Professional Conduct or the Rules of Disciplinary Procedure for the production of documents and evidence.

## Account Option/Rate Selection for IOLTA Accounts

From: (Bank Name) \_\_\_\_\_

Date: \_\_\_\_\_

*Indicate which account type/rate option you have selected, the highest yielding of Options 1-5 OR Option 6:*

- 1.  An interest bearing checking account such as a negotiable order of withdrawal (NOW) account, or business checking account with interest.
- 2.  A business checking account with an automated investment feature, such as an overnight sweep and investment in repurchase agreements or money market funds as described in the definitions.
- 3.  Government checking account.
- 4.  Any other suitable interest- or dividend- bearing account offered by the institution to its non- IOLTA customers.
- 5.  A checking account paying preferred interest rates, such as money market or indexed rates.
- 6.  55% of Federal Funds Target Rate paid on an interest-bearing checking account.

### Rate Disclosure

**Please provide the rates currently paid by your institution on the account type options 1-5:**

*(If the account type is not offered by your institution please indicate not available.)*

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

**Please provide the rate (s) to be paid on IOLTA accounts:**

*(This rate must be comparable to the rate paid on similar non-IOLTA accounts.)*

- 1. \_\_\_\_\_ (single rate)
- 2. \_\_\_\_\_ (if applicable, Tier 1) \_\_\_\_\_ (Tier 2) \_\_\_\_\_ (Other-please explain)

By: \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title of Authorized Bank Officer)

**PLEASE RETURN TO:**

**IOLTA, P. O. 1549, Montgomery, AL 36102-1549  
or fax to (334) 263-2003  
or e-mail to info@acjf.org**

**If you have any questions please call Sue McInnish at (334) 263-3003 or Tracy Daniel at (334) 517-2250.**

# IOLTA ESTABLISHMENT FORM

Attachment C

ALABAMA CIVIL JUSTICE

"Lawyers Helping People"



**UPDATED: November 2012**

## Interest On Lawyers Trust Account Program

a partnership between Financial Institutions and Lawyers

**DIRECTIONS FOR ATTORNEYS:** Please complete this form, sign and either give one copy to your financial institution or ask the ACJF to contact the appropriate bank personnel. Send a copy by fax or mail to the ACJF with a list of all the attorneys that will be using this account. Information about IOLTAs and the ACJF is available on our web-site, [www.acjf.org](http://www.acjf.org). Contact the ACJF by phone or email if you have additional questions.

**Date:** \_\_\_\_\_

**To: (Financial Institution and Address)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**From: (Lawyer/Law Firm and Address)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By making grants to charitable organizations, ACJF helps put IOLTA interest to work in communities throughout the state in many wise and meaningful ways.

The Alabama Civil Justice Foundation uses its resources to benefit the poor and disadvantaged by:

- Strengthening families, including children and youth;
- Making people safer and more secure;
- Building community and supporting institutions that strengthen the fabric of the community; and
- Promoting responsible behavior by institutions and individuals.

Alabama Civil Justice Foundation

P.O. Box 1549

Montgomery, AL 36102

334-263-3003 phone

334-263-2003 fax

[www.acjf.org](http://www.acjf.org)

[info@acjf.org](mailto:info@acjf.org)

The undersigned lawyer/law firm elects to participate in the Alabama Civil Justice Foundation IOLTA (Interest on Lawyers Trust Account) program as authorized by the Alabama Supreme Court in Rule 1.15 of the Alabama Rules of Professional Conduct. This rule also requires that lawyers may only establish an IOLTA at an eligible financial institution that follows rules concerning interest rates, service charges and reporting. A Financial Institution IOLTA Handbook with the eligibility requirements found in Rule 1.15 can be downloaded from the ACJF web-site – [www.acjf.org](http://www.acjf.org).

**With this form the undersigned is requesting that account # \_\_\_\_\_ be: (check one)**

\_\_\_\_\_ Opened as a new IOLTA account with interest payable to the ACJF.

\_\_\_\_\_ Converted from a non-interest-bearing account to an interest-bearing IOLTA account payable to the ACJF.

\_\_\_\_\_ Converted from an IOLTA account payable to the AL Law Foundation to an account payable to the ACJF.

Thank you for your prompt attention to this request. Your cooperation and support for this important program benefiting the disadvantaged citizens of Alabama is greatly appreciated.

Sincerely yours,

\_\_\_\_\_  
**Authorized Signature for IOLTA Account**

**DIRECTIONS FOR FINANCIAL INSTITUTIONS:** Establish this account with the interest designated to be paid to the Alabama Civil Justice Foundation using its **tax identification number 63-1068740**. \* Interest or dividends, net of any allowable reasonable fees as listed in Rule 1.15, must be remitted at least quarterly to the ACJF, along with a remittance report with required information. \* Interest or dividend rates paid on IOLTA accounts must follow the comparability rules as outlined in Rule 1.15 and explained in the Financial Institution Handbook, [www.acjf.org](http://www.acjf.org). \* NOTE: Because the beneficiary of the interest on IOLTA accounts, The ACJF, is a Section 501(c) (3) charitable organization, IRS Form 1099 should not be completed for IOLTA accounts. For More Information: **Financial Institution IOLTA Handbook is available on the ACJF website, [www.acjf.org](http://www.acjf.org) for IOLTA rules and procedures. Also learn how to become an ACJF Leadership Bank.** You may contact the ACJF office by phone or email.

ALABAMA CIVIL JUSTICE FOUNDATION  
IOLTA FORM

Attachment D

INTEREST ON  
ALABAMA CIVIL JUSTICE FOUNDATION  
IOLTA ACCOUNTS REMITTANCE REPORT

**FINANCIAL INSTITUTION:**

Name: \_\_\_\_\_

Branch: \_\_\_\_\_  
(Address)

(City) (Zip Code) (Phone Number)

Contact: \_\_\_\_\_  
(Name) (Title)

Report Period: \_\_\_\_\_ Through \_\_\_\_\_

**ATTORNEY(S)/LAW FIRM**

<u>Law Firm /Lawyer</u>	<u>Trust Account #</u>	<u>Rate of Interest Applied</u>	<u>Account Balance Or Other Amount From Which Interest Was Determined</u>	<u>Interest Earned</u>	<u>Service Charges Or Fees</u>	<u>Amount of Remittance</u>
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
<b>TOTALS:</b>						

Attach extra sheets or computer printout if necessary.

**NOTES:**

1. This form should report on each IOLTA account at least quarterly, even if no interest was earned or paid during the quarter.
2. All IOLTA account reports should be included and totaled on this form. Please do not submit separate reports for each IOLTA Account.
3. Please submit a single remittance consolidating interest from all IOLTA accounts maintained by you.
4. W-9 Forms and reports of income, IRS Form 1099, should not be completed because the Alabama Civil Justice Foundation, Inc. is a Section 501(c)(3) charitable organization. The Alabama Civil Justice Foundation is not subject to back-up withholdings.
5. Please mail this report to:

**Alabama Civil Justice Foundation, Inc.  
P.O. Box 1549  
Montgomery, AL 36102-1549**

Telephone or email inquires may be directed to Sue H. McInnish, Executive Director [sue@acjf.org](mailto:sue@acjf.org) or Priscilla W. Kleber, Executive Assistant [priscilla@acjf.org](mailto:priscilla@acjf.org) of the Alabama Civil Justice Foundation, Inc., 334-263-3003; [www.acjf.org](http://www.acjf.org)

# **Financial Institutions' Guide to Preparing & Formatting IOLTA Remittance Files**

*Electronic File Formats & Record Layouts Employed by the [IOLTA2 Software](#)\* to Import Remittance Data & Initiate ACH Payments*

*Updated July 30, 2010*

\* The Software Factory's IOLTA2 Software is a database for IOLTA data management relied upon by more than half the IOLTA Programs in the United States. Visit us on the Internet at [www.softfact.net](http://www.softfact.net).

## Overview

This guide is meant to assist financial institutions in the electronic reporting of remittance information on Interest on Lawyers' Trust Accounts ("IOLTA accounts") to state-based IOLTA Programs using the IOLTA2 Software owned, licensed, and supported by the Software Factory, LLC. The IOLTA2 Software is a database for IOLTA data management relied upon by more than half the nation's IOLTA Programs.

Experience has shown that electronic reporting of IOLTA remittance information can (1) reduce a financial institution's time and cost involved in producing and transmitting the information, and (2) increase the speed and accuracy of the reporting process. In addition, the IOLTA2 Software can help initiate a financial institution's monthly or quarterly interest payments to an IOLTA Program via the Automated Clearing House (ACH).

### **This guide outlines how a financial institution can:**

- Modify its analysis software to produce an electronic remittance file for importation by the IOLTA2 Software.
- Transmit the electronic remittance file to an IOLTA Program.
- Take steps to remit monthly or quarterly interest payments to an IOLTA Program via ACH.

### **Electronic remittance file reporting requires:**

- ASCII Flat File Format with options for fixed-length, tab-delimited, comma-separated, and semicolon-separated files.
- No binary data.
- A discussion between the remitting bank and the individual IOLTA Program regarding:
  - Selection of one of the record layouts described below that will meet the bank's needs while also satisfying the requirements of the IOLTA Program's administrative rules or guidelines, which often are imposed by a state Supreme Court or legislature.
  - Submission or retrieval of the remittance file, for example, via password-protected e-mail, File Transfer Protocol (FTP), via a secure web site, etc.

### **For technical assistance, please contact:**

- 1) Mr. Kelly Thayer, Project Manager – IOLTA2 Software  
The Software Factory, c/o The Resource for Great Programs, Inc.  
3055 Cass Rd., Suite 102-B, Traverse City, MI 49684  
**E-Mail:** [support@greatprograms.org](mailto:support@greatprograms.org)  
**Phone:** 231-352-8122
- 2) Ms. Kathy Garwold, Customer & Database Support – IOLTA2 Software  
The Software Factory, c/o The Resource for Great Programs, Inc.  
3055 Cass Road, Ste 102-B, Traverse City, MI 49684  
**Email:** [support@greatprograms.org](mailto:support@greatprograms.org)  
**Phone:** (231) 947-3280

### **Additional members of our IOLTA2 Software team:**

- Ken Smith, IOLTA2 Software Innovator
- Steve Cleary, IOLTA2 Software Programmer
- Roger Lilavois, IOLTA2 Creator & Programming Advisor

# Electronic Remittance File – Formats, Rules, & Definitions

## Remittance File Name

The recommended file name includes:

- “B”+“*Bank Number*” – where the bank number is that which is assigned by *each* individual IOLTA Program's copy of the IOLTA2 Software. For example, a file name might be, “B541.” Please contact the IOLTA Program to which you will be sending the electronic remittance file to inquire about your institution’s “bank number” for use in the file name, and any other naming conventions.

## Remittance File Formats

A financial institution can create an IOLTA remittance file in the following ASCII Flat File formats:

- Tab-delimited files with “.txt” suffix or file extension
- Fixed-length with “.txt” suffix
- Comma-separated with “.csv” suffix
- Semicolon-separated

In all cases, the remittance file should contain text only, and not contain any binary data.

## About Microsoft Excel’s “.xls” suffix

Note that producing remittance files using Microsoft Excel formats with an “.xls” or “.xlsx” suffix is strongly discouraged. Based on your Excel settings for day-to-day work, Excel can introduce unintended changes to the data by automatically eliminating leading zeros (for instance, on trust account numbers), adding unwanted “\$” signs, changing the formatting of dates, and translating a comma in a law firm name to a new field, when this is not the intention, etc. If Excel must be used for producing the remittance file, here are the recommended steps to take *before* entering any data:

- Select all cells in the worksheet, and then Format Cells as Text (rather than as “General” or “Number”, etc.)
- Fill in data in the Excel file.
- Use the “Save as” function to save the file with a “.csv” suffix or a “.txt” suffix, depending on how the data fields are to be separated.
- View resulting file only in Microsoft WordPad or Microsoft NotePad (not Excel) in order to see and preserve any leading zeros and avoid Excel introducing unintended dollar signs, etc.

## Remittance File Rules

The following rules apply:

- Tab-delimited & fixed-length files with a “.txt” suffix – All numeric fields have an assumed decimal point.
- Comma-separated files with a “.csv” suffix – All numeric fields have an actual decimal point.
- All date fields are in the MM/DD/YYYY format (except for the USBNK.txt file type, which uses MM/DD/YY, as denoted further below).
- Numeric fields may be negative, as a general rule, although this might be rendered moot in many cases because IOLTA Programs in most states prohibit negative netting (covering charges on a trust account with interest or dividends earned by another trust account).
- The Trust Account Number must:
  - Contain numerals only and *not* be start with “account” or any other text.
  - Not be empty, or else the record cannot be imported by the IOLTA2 Software.

- All data fields required by the chosen record layout must be present, even if populated only with a “0” (zero) or left blank, to ensure that the IOLTA2 Software translates all expected fields in the correct length and order. This is also addressed further below in the Record Layouts.
- Record length is variable.
- All records are terminated with a Hard Return (HRt).

## Remittance File Definitions

The following field definitions apply to all record layouts:

### Field Definition

#### **Tax ID #**

This is the Federal Tax ID # for the IOLTA account being remitted. It should be the IOLTA Program's Tax ID # on the trust account. This can be used as the batch separator by a financial institution that is remitting to multiple IOLTA Programs, and to validate the proper file being transmitted to the correct IOLTA Program. It is validated by a particular state's IOLTA2 Software to process the correct IOLTA accounts.

#### **Routing Transit Number**

This is the Routing Transit Number of a financial institution where the trust account is held. If one financial institution is remitting for multiple facilities, then this field should reflect the Routing Transit Number for the facility where the account is located. It can be "hard coded" (hard-wired) for financial institutions remitting with one Routing Transit Number.

#### **Branch ID**

This is a financial institution's internal Branch ID for those facilities that have multiple branches. It can include a financial institution's ID # with the branch designator. When one Routing Transit Number is used for multiple offices or branches, this field is required to identify the actual location of the trust account. If the remittance is for one office, then default to 0.

#### **Trust Account Number**

This is the unique 17-digit number that identifies the account (this may contain leading zeros to account for 17 digits). It will be used in the ACH system and must conform to the ACH standards. It does not include any local prefixes or suffixes.

#### **Account Status**

This field is used to identify whether the account is a regular active remittance (A), a recently closed account that has interest to report (C), or a new account that has not previously reported (N). This field is optional and can be left blank. Closed accounts are closed automatically by the IOLTA2 Software. New accounts will be automatically maintained in the future; this will help eliminate or reduce the additional request for information on those new accounts.

#### **Earnings Period Start**

The first date for which interest is accumulated for the reported trust account in MM/DD/YYYY format.

#### **Earnings Period End**

The last date for which interest is accumulated for the reported trust account in MM/DD/YYYY format.

#### **Interest Rate**

The interest rate used to calculate the gross remittance for the earnings period reported.

#### **Gross Remittance**

The gross interest earned by the trust account during the earnings period reported.

#### **Handling Charges**

The negotiated per account charge, if any, for processing accounts.

#### **Maintenance Charges**

The maintenance charges, if any, that are to be paid on this account.

**Activity Charges**

The activity charges, if any, that are to be paid on this account.

**Net Remittance**

The net amount of remittance due to the IOLTA Program. This amount is usually calculated as the Gross minus Handling, Maintenance, and Activity Charges. If a financial institution waives a negative net on an IOLTA account, then a zero (0.00) amount is entered.

**Principal Balance Used**

The principal balance used to calculate the interest earned, such as the average collected balance.

**Rate Type**

Type of interest rate used. ICR=Interest Checking, TICR=Tiered Interest Checking, RIR=Repo Interest.

**Other charges**

Any service charges that are not construed as Handling, Maintenance, or Activity charges.

**Waived charges**

Any service charges that have been waived, for example, in order to provide a net zero transaction.

**Target Balance**

The target balance applied to this account when calculating the remittance.

**Sweep Fee**

Any sweep fee charged on this account.

**Firm Name**

The name of the law firm on the account. Completing this field will eliminate or reduce communication with a financial institution regarding new accounts.

**Firm Phone**

The phone number on the account. This will enable the IOLTA Program to contact the law firm to gather any additional information on new accounts, for example.

## Electronic Remittance File – Record Layouts

The following record layouts are programmed into the IOLTA2 Software to allow for automatic import of a financial institution's remittance file (and to help facilitate ACH transfer of payments).

**Please note:** A financial institution should discuss with the individual IOLTA Program which of the following record layouts will satisfy the requirements of the IOLTA Program's administrative rules or guidelines, which often are imposed by a state Supreme Court or legislature.

It is recommended that a financial institution begin by determining:

- Whether it is already using *exactly* one of these record layouts for submission to another IOLTA Program that employs the IOLTA2 Software in another state. If so, the financial institution could propose using the same record layout for submission to the IOLTA Program with which it is currently in discussions.
- Whether it is already producing a record layout *similar* to one below and could modify it slightly to match *exactly* one of these record layouts. If so, the financial institution could propose using the same record layout for submission to the IOLTA Program with which it is currently in discussions.

Please bear in mind:

- All fields are characters (i.e., text).
- No binary data (i.e., numerical formats); numbers should be formatted as text.
- Where a "Field Name" is indicated as "unused", it *must* appear in the export whether it contains data or not, to ensure that the IOLTA2 Software translates all expected fields in the correct length and order.

The IOLTA2 Software can import the following file types, which are defined on the following pages:

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COL.tab type (Colonial Bank).....	21
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CITI.tab type (Citibank).....	23
RGN.col type (Regions Bank) .....	24
JOHN.tab type (Johnson Bank) .....	25

## IOLTA2 Bank Remittance Files – Record Layouts

### Blank “Type of File” in IOLTA2:

If the import field is left blank for a bank, IOLTA2 will default to one of the generic “.txt” or “.csv” file types described below.

#### Generic type, \*.txt files (fixed length)

All fields are **fixed-width**, one record per line. Some numeric fields have an implied decimal point, as indicated below.

There are two different field definitions, depending on whether or not the bank is providing tiered/repo interest information.

#### *Generic type, \*.txt file, with tiered/repo interest information*

Field Name	Width	Formatting
Tax ID	10	Left-justified
Routing Transit Number	9	Right-justified
Branch ID	6	Right-justified (leave blank if not used)
Trust Account Number	17	Left-justified (no hyphens or spaces)
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	Right-justified: implied decimal point (01234 = 01.234%); may include % sign
Gross Remittance	10	Right-justified: implied decimal point (1234567890 = 12345678.90); may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	Right-justified: implied decimal point (123456789012 = 1234567890.12); may include \$ sign and/or comma
Rate Type	4	Left-justified
Other Charges	10	<i>same as gross remittance format</i>
Waived Charges	10	<i>same as gross remittance format</i>
Target Balance	10	<i>same as gross remittance format</i>
<unused>	2	n/a
Firm Name	60	Left-justified
Firm Phone	12	Left-justified

*Generic type, \*.txt file, without tiered/repo interest information*

<b>Field Name</b>	<b>Width</b>	<b>Formatting</b>
Tax ID	10	Left-justified
Routing Transit Number	9	Right-justified
Branch ID	6	Right-justified (leave blank if not used)
Trust Account Number	17	Left-justified (no hyphens or spaces)
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	Right-justified: implied decimal point (01234 = 01.234%); may include % sign
Gross Remittance	10	Right-justified: implied decimal point (1234567890 = 12345678.90); may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Firm Name	60	Left-justified

Generic type, \*.csv files (comma-separated)

All fields are **comma-separated**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

Field Name	Width	Formatting
Tax ID	10	
Routing Transit Number	9	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign (but <u>not</u> a comma)
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	<i>same as gross remittance format</i>
Rate Type	4	
Other Charges	10	<i>same as gross remittance format</i>
Waived Charges	10	<i>same as gross remittance format</i>
Target Balance	10	<i>same as gross remittance format</i>
Sweep Charges	10	<i>same as gross remittance format</i>
Firm Name	60	

## TSF.txt type (fixed length)

All fields are **fixed-width**, one record per line. Some numeric fields have an implied decimal point.

There are two different field definitions, depending on whether or not the bank is providing tiered/repo interest information. (See below.)

### *TSF.txt type, with tiered/repo interest information*

The **TSF.txt type, with tiered/repo interest information** is exactly the same as the “*Generic type, \*.txt file, with tiered/repo interest information*” above.

### *TSF.txt type, without tiered/repo interest information*

The **TSF.txt type, without tiered/repo interest information** is exactly the same as the “*Generic type, \*.txt file, without tiered/repo interest information*” above.

## BoA.txt type (Bank of America)

All fields are **fixed-width**, one record per line. Some numeric fields have an implied decimal point, as indicated below.

Field Name	Width	Formatting
Tax ID	10	Left-justified
Routing Transit Number	9	Right-justified
Branch ID	6	Right-justified (leave blank if not used)
Trust Account Number	17	Left-justified (no hyphens or spaces)
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	Right-justified: implied decimal point (01234 = 01.234%); may include % sign
Waived Charges	10	Right-justified: implied decimal point (1234567890 = 12345678.90); may include \$ sign and/or comma
Handling Charges	10	<i>Same as waived charges format</i>
Maintenance Charges	10	This must be the <i>same</i> value and format as “ <i>Waived Charges</i> ”
Activity Charges	10	<i>Same as waived charges format</i>

## TSF.csv type (comma-separated)

The **TSF.csv type** is exactly the same as the “*Generic type, \*.csv files*” above.

## TSF.tab type (tab-delimited)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

<b>Field Name</b>	<b>Width</b>	<b>Formatting</b>
Tax ID	10	
Routing Transit Number	9	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	<i>same as gross remittance format</i>
Rate Type	4	
Other Charges	10	<i>same as gross remittance format</i>
Waived Charges	10	<i>same as gross remittance format</i>
Target Balance	10	<i>same as gross remittance format</i>
Firm Name	60	
Firm Phone	12	
Sweep Charges	10	<i>same as gross remittance format</i>

## PNC.csv type (PNC Bank)

All fields are **comma-separated**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

Field Name	Width	Formatting
Tax ID	10	
Routing Transit Number	9	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
<unused>	6	n/a
Earnings Period End	10	MM/DD/YYYY; the “Earnings Period Start” value is the first day of the month specified by “Earnings Period End”.
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign (but <u>not</u> a comma)
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	<i>same as gross remittance format</i>
Rate Type	4	
Other Charges	10	<i>same as gross remittance format</i>
Waived Charges	10	<i>same as gross remittance format</i>
Target Balance	10	<i>same as gross remittance format</i>
<unused>	19	n/a
Firm Name	60	
Firm Phone	12	

## USBNK.txt type (U.S. Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

Field Name	Width	Formatting
<unused>		n/a
Branch ID	6	
Tax ID	10	
Trust Account Number	17	
Firm Name	60	
Principal Balance Used	12	include actual decimal; may include \$ sign and/or comma
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	<i>same as principal balance used format</i>
Handling Charges	10	<i>same as principal balance used format</i>
Net Remittance	10	<i>same as principal balance used format</i>
<unused>		n/a
Earnings Period End	10	MM/DD/YY; the “Earnings Period Start” value is the first day of the month specified by “Earnings Period End”.

## JPM.tab type (JPMorgan Chase Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain "", 0, or be left blank if no information is available.

<b>Field Name</b>	<b>Width</b>	<b>Formatting</b>
Firm Name	60	
Tax ID	10	
Routing Transit Number	9	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	<i>same as gross remittance format</i>

## UMB.txt type (UMB Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain "", 0, or be left blank if no information is available.

Field Name	Width	Formatting
Tax ID	10	
Routing Transit Number	9	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	<i>same as gross remittance format</i>
Firm Name	60	

## SC1st.txt type (South Carolina 1<sup>st</sup>)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain "", 0, or be left blank if no information is available.

<b>Field Name</b>	<b>Width</b>	<b>Formatting</b>
Trust Account Number	17	
Firm Name	60	
Principal Balance Used	12	include actual decimal; may include \$ sign and/or comma
Gross Remittance	10	<i>same as principal balance used format</i>
Handling Charges	10	<i>same as principal balance used format</i>
Net Remittance	10	<i>same as principal balance used format</i>
Earnings Period Start	10	MM/DD/YYYY (with or without leading zeros)
Earnings Period End	10	MM/DD/YYYY (with or without leading zeros)
Interest Rate	5	include actual decimal; may include % sign

## SunTrst.tab type (SunTrust Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain "", 0, or be left blank if no information is available.

Field Name	Width	Formatting
Tax ID	10	
Routing Transit Number	9	
<unused>		n/a
Trust Account Number	17	
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Branch ID	6	
Firm Name	60	
Principal Balance Used	12	<i>same as gross remittance format</i>

## NatCity.tab type (National City Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain "", 0, or be left blank if no information is available.

<b>Field Name</b>	<b>Width</b>	<b>Formatting</b>
Tax ID	10	
Routing Transit Number	9	
<unused>		n/a
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Branch ID	6	

## BnkWst.tab type (Bank of the West)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain "", 0, or be left blank if no information is available.

<b>Field Name</b>	<b>Width</b>	<b>Formatting</b>
Trust Account Number	17	
Firm Name	60	
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
<unused>		n/a
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	include actual decimal; may include \$ sign and/or comma
<unused>		n/a
<unused>		n/a
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	<i>same as gross remittance format</i>

## COL.tab type (Colonial Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

**Note:** IOLTA2 calculates the “Net Remittance” value as “Net Credit” + “Net Debit” from this import.

Field Name	Width	Formatting
Tax ID	10	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Interest Rate	5	include actual decimal; may include % sign
Principal Balance Used	12	include actual decimal; may include \$ sign and/or comma
Gross Remittance	10	<i>same as principal balance used format</i>
Handling Charges	10	<i>same as principal balance used format</i>
Maintenance Charges	10	<i>same as principal balance used format</i>
Net Debit	10	<i>same as principal balance used format</i>
Net Credit	10	<i>same as principal balance used format</i>
Firm Name	60	
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY

## BBT.smi type (BB&T Bank)

All fields are **semicolon-delimited**, one record per line. Fields have width limitations, and may contain "", 0, or be left blank if no information is available. Some numeric fields have an implied decimal point.

Field Name	Width	Formatting
Tax ID	10	
Routing Transit Number	9	
Branch ID	6	
Trust Account Number	17	
Account Status	1	A, C, or N (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Interest Rate	5	Right-justified: implied decimal point (01234 = 01.234%); may include % sign
Gross Remittance	10	Right-justified: implied decimal point (1234567890 = 12345678.90); may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>
Principal Balance Used	12	Right-justified: implied decimal point (123456789012 = 1234567890.12); may include \$ sign and/or comma
Rate Type	4	
Other Charges	10	<i>same as gross remittance format</i>
Waived Charges	10	<i>same as gross remittance format</i>
Target Balance	10	<i>same as gross remittance format</i>
Firm Name	60	
Firm Phone	12	

## CITI.tab type (Citibank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

**Note:** The “Branch ID” *must* start with the number ‘9’ for the record to be imported.

Field Name	Width	Formatting
Branch ID	6	9 + number (or 9 if no branch is used)
Firm Name	60	
Trust Account Number	17	
<unused>		n/a
Earnings Period Start	10	MM/DD/YYYY
Earnings Period End	10	MM/DD/YYYY
Principal Balance Used	12	include actual decimal; may include \$ sign and/or comma
Gross Remittance	10	<i>same as principal balance used format</i>
Handling Charges	10	<i>same as principal balance used format</i>
Net Remittance	10	<i>same as principal balance used format</i>

## RGN.col type (Regions Bank)

All fields are **full-colon-delimited**, one record per line. Fields have width limitations, and may contain "", 0, or be left blank if no information is available. Some numeric fields have an implied decimal point.

Field Name	Width	Formatting
<unused>		n/a
Routing Transit Number	9	
Branch ID	6	One of two Branch ID fields can be left blank. <i>Any data appearing in either field will be imported into IOLTA2 together and NOT ignored.</i>
Branch ID	6	
Trust Account Number	17	
Account Status	1	<b>A, C, or N</b> (Active, Closed, or New)
Earnings Period Start	10	MM/DD/YYYY (with or without leading zeros)
Earnings Period End	10	MM/DD/YYYY (with or without leading zeros)
Interest Rate	5	Right-justified: implied decimal point (01234 = 01.234%); may include % sign
Principal Balance Used	12	Right-justified: implied decimal point (123456789012 = 1234567890.12); may include \$ sign and/or comma
Gross Remittance	10	Right-justified: implied decimal point (1234567890 = 12345678.90); may include \$ sign and/or comma
Handling Charges	10	<i>same as gross remittance format</i>
Maintenance Charges	10	<i>same as gross remittance format</i>
Activity Charges	10	<i>same as gross remittance format</i>
Net Remittance	10	<i>same as gross remittance format</i>

## JOHN.tab type (Johnson Bank)

All fields are **tab-delimited**, one record per line. There are no fixed field widths; however the upward limits are listed. Fields may contain “”, 0, or be left blank if no information is available.

**Note:** If the “Trust Account Number” starts with “A”, then that record is *not* imported.

Field Name	Width	Formatting
Firm Name	60	
<unused>		n/a
<unused>		n/a
<unused>		n/a
Trust Account Number	17	
<unused>		n/a
Principal Balance Used	10	include actual decimal; may include \$ sign and/or comma
Interest Rate	5	include actual decimal; may include % sign
Gross Remittance	10	<i>same as principal balance used format</i>
<unused>		n/a
Maintenance Charges	10	<i>same as principal balance used format</i>
Activity Charges	10	<i>same as principal balance used format</i>
Net Remittance	10	<i>same as principal balance used format</i>
<unused>		n/a
Earnings Period Start and End	10	MM/DD/YYYY <i>One date is entered.</i>

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