

Disputed Ownership Funds in the Court's Registry (28 U.S.C. § 1335)

Process:

Federal Rule of Civil Procedure 67 and E.D. Tenn. L.R. 67.1 govern the deposit and disbursement of funds*. These are a few tips for parties seeking to deposit these types of funds with the court or the disbursement of such funds. **NOTE: If you file a Complaint for Interpleader and wish to request funds be deposited into the Court's Registry ("CRIS"), you must file a Motion for Interpleader Deposit (28 U.S.C. Section 1335) and a Motion for Interpleader Disbursement (28 U.S.C. Section 1335) when you request the funds be disbursed.**

1. Deposits and disbursements must be court ordered.
2. Motions to deposit should reference 28 U.S.C. § 1335.
3. Motions to deposit and any proposed order must contain the actual amount of funds to be deposited. If your motion includes fees and/or expenses, you must list the fees/expenses in your motion and proposed order (e.g. attorneys' fees). (See <https://www.tned.uscourts.gov/forms/interpleader-motion>)
4. Motions to deposit filed electronically should use the ECF motion event titled "Interpleader Deposit (28 U.S.C. Section 1335)." Select Civil from the blue menu bar → then select Motions and Related Filings → then select Motions and then Interpleader Deposit (28 U.S.C. Section 1335).
5. Motions for disbursement filed electronically should use the ECF motion event titled "Interpleader Disbursement (28 U.S.C. Section 1335)." Select Civil from the blue menu bar → then select Motions and Related Filings → then select Motions and then the event Interpleader Disbursement (28 U.S.C. Section 1335).

** Deposits and disbursements of other funds with the court must follow the requirements of Fed. R. Civ. P. 67 and L.R. 67.1 and generally the steps outlined above, but do not use the special Interpleader-Disputed Ownership Funds events. Instead, for motions to deposit or for disbursement of other funds held by the court use: ECF motion event "**Deposit Funds**" and ECF motion event "**Release of Funds**".*

Fees:

For management of funds deposited under 28 U.S.C. § 1335 and invested in a Disputed Ownership Fund through the Court Registry Investment System, a fee at an annual rate of 20 basis points of assets on deposit shall be assessed from interest earnings.

The Director of the Administrative Office has the authority to waive these fees for cause.