NEW YORK STATE OF OPPORTUNITY. | IOLA FUND
Funding Justice for All

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IOLA Rate Election & Certification Form

Name of Banking Institution: _____

Effective date: _____

_____ **New** (check if being submitted as part of an application to join the IOLA program)

_____ **Existing** (check if the Banking Institution currently participates in the IOLA program)

1. IOLA Rate Election (elect A or B)

All participating banks may be subject to an **audit** to demonstrate their compliance with the IOLA program, as requested by the IOLA Fund. (See 21 NYCRR 7000.9.)

____ **A. Safe Harbor**: This election sets the IOLA interest rate to a variable interest rate equal to the **GREATER OF: 60% of the UPPER BOUND of the Federal Funds Target Rate or 1.00%**, whichever is greater. The Safe Harbor rate is calculated as of the **first day** of each month (e.g., any rate change announced by the Federal Reserve mid-month would change the Safe Harbor rate as of the first day of the next month.)

____ **B. Comparable Rate:** This election sets the IOLA interest rate equal to not less than the **highest rate available to the Banking Institution's best customers on comparable accounts**.

2. If electing **Comparable Rate,** complete the following (if electing **Safe Harbor**, skip to 3.):

A. Identify IOLA Rate Type (check one)

_____ Flat Rate of _____**%**

_____ Tiered Rates (indicate each tier and its respective rate below)

Tier	From	To	Rate
1	$0.00	$	%
2	$	$	%
3	$	$	%
4	$	$	%
5	$	$	%
6	$	$	%
7	$	and above	%

B. Submit <u>Rate Comparability Survey</u> (available at www.iola.org/banks)**, which requires:**

- A list of every product offered that **bears interest and has check-writing capability**, including **<u>all</u>**:
    a. Deposit accounts (both business and consumer accounts)
    b. Wealth management checking accounts
    c. Money market deposit accounts
    d. Money market investment accounts
    e. Business sweep products
    f. Government checking accounts
- As to **<u>each product</u>**, submit substantiating documentation about the product, including **<u>all</u>**:
    a. **Internal Rate Sheets**
    b. Internal Deposit Accounts **Rate Specification Report** or similar reports listing all interest rates paid to all customers by product type
    c. External explanatory literature, marketing and disclosure documents

3. IOLA Account Fees/Deductions (against IOLA principal and/or interest) (check one)

_____ ALL fees/deductions **WAIVED** on IOLA Accounts and Interest Remittances.

_____ Certain fees/deductions **CHARGED (indicate fees below)**

Maintenance Fee	___ Monthly ___ Quarterly	$	Fees charged: ____per account, ____per remittance
Other Fees (describe) _____	___ Monthly ___ Quarterly	$	Fees charged: ____per account, ____per remittance
Other Fees (describe) _____	___ Monthly ___ Quarterly	$	Fees charged: ____per account, ____per remittance
Other Fees (describe) _____	___ Monthly ___ Quarterly	$	Fees charged: ____per account, ____per remittance
Fee for the preparation of reports to the IOLA Fund	___ Monthly ___ Quarterly	$	Fees charged: ____per account, ____per remittance

Note: Eligible banking institutions may charge only the permitted equitable service charges listed in the IOLA regulations and only in amounts no greater than those imposed on comparable accounts. See 21 NYCRR Part 7000.10(b).

If the service charges on a given IOLA account exceed the interest earned on that account, the difference cannot be recovered from the total interest earned on all IOLA accounts. This is called "Negative Netting" and it is not allowed. Unpaid fees on one account, however, may be carried forward to the next remittance period and deducted from the interest earned on the same account.

All other fees for special services requested by the account-holder are the responsibility of, and may be charged to, the lawyer or law firm maintaining the IOLA account. Any other special service, non-routine activity or event fees are the responsibility of the lawyer or law firm maintaining the IOLA account and may not be deducted from the interest earned on the IOLA account.

4. IOLA Account – Other Information

A. Interest Payment	
How often does your banking institution pay interest?	___ **Monthly** ___ **Quarterly**
How often will your banking institution remit interest to the IOLA Fund?	___ **Monthly** ___ **Quarterly**
NOTES: Banks must remit all net interest earned on each IOLA account by the 10th day of the following month or 10 days after the closing date of the cycle. Remittance Reports that accompany payments should indicate the average daily balance as to each account during the reporting period. For more information about reporting, see General Instructions for Banking Institutions and Remittance Report Instructions (available at www.iola.org/banks). **If a bank pays interest on a monthly basis, but elects to remit interest to the IOLA Fund on a quarterly basis, a separate IOLA account should be established to act as a holding account for the interest earned until the remittance is made and such interest should be included with the remittance.**	

B. Interest Methodology
IOLA Interest should be calculated based on the daily collected balance in each account. Confirm how your banking institution calculates interest.
_____ **YES.** Interest is calculated based on the daily collected balance.
_____ **NO.** Interest is calculated in a different manner (attach justification).
NOTE: Interest may not be calculated based on a fixed date or low balance during the period.

C. Minimum balance requirements		
☐	Minimum to open account*:	$
☐	Minimum to waive charges:	$

*The IOLA Fund encourages banks to have a **$0 minimum balance requirement to open an IOLA account**.

5. The Community Reinvestment Act (CRA) Federal Community Reinvestment Act, 12 U.S.C. § 2901 et seq. and/or NY State Community Reinvestment Act, NY Banking Law § 28-b.

Financial institutions that elect the Safe Harbor rate (Option A at Section 1) OR pay a Comparable rate at or above the Safe Harbor rate; AND waive any charges or fees on IOLA accounts ("ALL fees /deductions **WAIVED** on IOLA Accounts and Interest Remittances" at Section 3) will be eligible to receive a Community Reinvestment Act (CRA) credit letter from the IOLA Fund.

CERTIFICATION

On behalf of the above referenced Banking Institution, I confirm the election made herein pursuant to IOLA Regulations 21 NYCRR Part 7000.9 and I certify that all information provided herein is true and accurate.

I further certify that if my banking institution is submitting the IOLA Rate Comparability Survey, that the information contained therein and any supporting documentation, is true, accurate and complete.

I further understand that my Banking Institution may be subject to an audit to demonstrate compliance with the IOLA program, as requested by the IOLA Fund.

Signature: _____

Name (print): _____

Title: _____

Address: _____

Telephone: _____ E-mail: _____

Date: _____