

RULE 9. \_\_

(a) [Interest on Lawyer Trust Accounts Program]

The State Bar must establish and administer an Interest On Lawyer Trust Account (IOLTA) program under rules adopted by the Board of Governors of the State Bar to deliver free legal services in civil matters to indigent persons.

(b) [IOLTA Accounts]

(1) An attorney or law firm that in the course of the practice of law receives or disburses funds that cannot earn income in excess of the costs incurred to secure such income because the funds are nominal in amount or are on deposit or invested for a short period of time must establish and maintain an IOLTA account in accordance with Business and Professions Code sections 6212 and 6213(j). The funds may be deposited or invested in a single unsegregated account.

(2) An "eligible institution" under Business and Professions Code section 6213(k) is a bank, savings and loan, or other financial institution regulated by a federal or state agency that

(a) can pay interest or dividends, and

(b) carries deposit insurance from an agency of the federal government,

(c) [Trust Accounts]

Nothing in this rule shall prohibit an attorney or law firm from establishing one or more interest bearing trust accounts earning interest or dividends payable to clients for funds that can earn income in excess of the costs incurred to secure such income.