

## **INTEREST-BEARING TRUST ACCOUNT AGREEMENT**

**NOTE:** This form is used by a broker or their agent when handed funds for deposit into a trust account held by the broker which account the owner requests be interest bearing, to identify the depository and terms for the interest-bearing trust account.

**DATE:** \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_, California.  
*Items left blank or unchecked are not applicable.*

This agreement regarding the handling of trust funds is between \_\_\_\_\_, as the Broker, and \_\_\_\_\_, as the Depositor.

1. Depositor hereby requests Broker to hold under this agreement those trust funds in the amount of \$\_\_\_\_\_ handed to Broker by Depositor on execution of this agreement.
  - 1.1 The funds are held in trust to be disbursed for the purpose of completing Depositor's performance under an agreement entitled \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_\_\_\_, entered into by Depositor and \_\_\_\_\_.
2. Broker is hereby authorized and instructed to deposit the trust funds into an interest-bearing trust account with \_\_\_\_\_, as the Depository, being a bank, thrift, credit union or industrial loan company whose accounts are insured by the Federal Deposit Insurance Company (FDIC). The address of the branch or location of the Depository is \_\_\_\_\_.
  - 2.1 The trust account to be in the name of Broker, as trustee for  Depositor, or  \_\_\_\_\_.
  - 2.2 All funds in the trust account to be covered by FDIC insurance or other insurance by an agency of the United States.
  - 2.3 The type of interest-bearing account to be  passbook, or  time certificate, or  \_\_\_\_\_.
  - 2.4 The annual rate of interest accruing on the account to be \_\_\_\_%.
  - 2.5 Interest accruing on the deposit to be compounded  daily,  monthly, or  quarterly.
  - 2.6 A service charge  is, or  is not, imposed on the account by the Depository.
    - a. If a service charge is imposed, it is to be deducted and paid from interest accruing on the account.
  - 2.7 Interest earned on the trust funds is to be paid to  Depositor, or  \_\_\_\_\_, on (event) \_\_\_\_\_.
    - a. Under no circumstances may the interest be paid, directly or indirectly, to Broker or a licensed person employed by Broker.
  - 2.8 Withdrawal of the trust funds from the account prior to \_\_\_\_\_ days after deposit with the depository, or without \_\_\_\_\_ days prior notice, shall subject the funds to a penalty of \$\_\_\_\_\_ for early withdrawal.
3. The trust account shall hold no other funds belonging to Broker or held by Broker for others as trust funds.
4. The trust account number is \_\_\_\_\_.
  - 4.1 Broker is authorized and instructed to enter the account number on this agreement when it is known to Broker, and notify Depositor and other party named at §2.7 of the account number by promptly handing them a copy of this agreement containing the account number or sending a copy by regular USPS mail service.
5. Should these trust funds accepted by Broker be for use in a real estate related transaction (purchase, lease, or loan), the other parties to the transaction must consent to this agreement by signing the third party approval provision below.

**I agree to the terms stated above.**

Date: \_\_\_\_\_, 20\_\_\_\_\_

Broker: \_\_\_\_\_

Broker's CalBRE #: \_\_\_\_\_

Agent: \_\_\_\_\_

Agent's CalBRE #: \_\_\_\_\_

Signature: \_\_\_\_\_

**I agree to the terms stated above.**

Date: \_\_\_\_\_, 20\_\_\_\_\_

Depositor's Name: \_\_\_\_\_

Social Security #: \_\_\_\_\_

Signature: \_\_\_\_\_

**I have read and approve this agreement.**

Date: \_\_\_\_\_, 20\_\_\_\_\_

Third Party's Name: \_\_\_\_\_

Signature: \_\_\_\_\_