

WYOMING STATE BAR
GUIDELINES FOR APPROVAL OF FINANCIAL INSTITUTIONS TO
SERVE AS A DEPOSITORY FOR LAWYER TRUST ACCOUNTS
(IOLTA and non-IOLTA Trust Accounts)

Purpose

The Wyoming Supreme Court adopted W.R.P.C 1.15 (Wyoming Rule of Professional Conduct 1.15), also known as the Lawyer Trust Account rule, which requires lawyers to keep their client or third person trust accounts in financial institutions approved by the Wyoming State Bar (the “Bar”) to serve as a depository for lawyer trust accounts. One important feature of Rule 1.15 is the requirement that financial institutions notify the Bar in the event a Lawyer Trust Account becomes overdrawn, a measure intended to provide early warning of possible unethical activity in a Lawyer Trust Account.

To obtain Bar approval to serve as a depository for Lawyer Trust Accounts, including both IOLTA and non-IOLTA lawyer trust accounts as defined by Rule 1.15 (“approved status”), financial institutions must execute a Trust Account Overdraft Notification (“TAON”) Agreement, a form provided by the Bar, committing to provide overdraft reports to the account holder and to the Bar’s Office of Bar Counsel, a component of Wyoming’s lawyer discipline system, for all Lawyer Trust Accounts that the financial institution holds. The purpose of the Office of Bar Counsel is to maintain and promote the integrity of the legal profession and to protect the public, the courts, and the legal profession. To fulfill its purpose, the Office of Bar Counsel investigates and prosecutes allegations of professional misconduct regarding attorneys licensed to practice law in Wyoming.

These guidelines explain the Bar’s process for determining, terminating, and revoking “approved status” of financial institutions. The Bar publishes a list of Approved Financial Institutions (“Approved List”) on its website. The Bar will periodically update the Approved List as financial institutions are added or removed.

Financial institutions obtaining “approved status” under Rule 1.15 must still comply with the “eligible financial institution” criteria under Rule 1.15(a)(3) to serve as a depository for IOLTA accounts. Thus, financial institutions must meet both the Bar’s “approved status” and the “eligible financial institution” status to hold IOLTA accounts.

A. Financial Institution Submission Procedure for TAON Agreements

1. Financial institutions may deliver a fully executed TAON Agreement to the Bar by any of the following methods:
 - Email addressed to Shannon Hughes at the Wyoming State Bar shughes@wyobc.org.
 - Facsimile to the Wyoming State Bar at (307) 632-3737.
 - First class mail or delivery to: Wyoming State Bar, 4124 Laramie St., P.O. Box 109, Cheyenne, WY 82003.

2. All notices or other communication from the financial institution to the Bar relating to Lawyer Trust Accounts may be delivered to the Bar by any method described in paragraph A1. **Special note:** Bar-approved participating financial institutions must submit overdraft reports to the Bar's Office of Bar Counsel. The contact information for the Office of Bar Counsel is: Shannon Hughes, Assistant to Bar Counsel, 4124 Laramie St., P.O. Box 109, Cheyenne, WY 82003; phone (307) 432-2104; email: shughes@wyobc.org.
3. The executed TAON Agreement will apply to all locations of the financial institution and cannot be cancelled except on 120 days' notice in writing to the Bar, delivered by a method described in paragraph A1 above.

B. "Approved Status" Notification Procedure for Participating Financial Institutions

1. Upon receipt of the TAON Agreement, the Bar will send follow-up communication to the designated contact stating that:
 - a. the financial institution has obtained "approved status" and will be added to the Approved List as soon as practicable; or
 - b. the TAON Agreement is insufficient or other administrative issues prevent approval of the financial institution. Unless another time period is approved by the Bar, the financial institution must respond within ten (10) business days to correct the administrative deficiencies. Failure to timely respond may result in a delay in approval and may prevent placement of the financial institution's name on the Approved List.
2. The Approved List will be posted on the Bar's website, <https://www.wyoming-bar.org/>

C. Cancellation of TAON Agreement by Financial Institution

1. A financial institution seeking to cancel the TAON Agreement must give a 120 day advance written notice to the Bar. The notice must be delivered in a manner described under paragraph A1.
2. At least 90 days before its approved status is terminated, the financial institution must notify all holders of lawyer trusts accounts, including both IOLTA and non-IOLTA lawyer trust accounts, that its approved status will be terminated. This notice must state the effective date that the financial institution's approved status will be terminated.
3. The financial institution must deliver a copy of the notices to the Bar as they are issued.

D. Revocation of "Approved Status" by the Bar

1. If the Bar becomes aware that a participating institution has not complied with its TAON Agreement, the Bar will contact the financial institution requesting that

within ten (10) business days the financial institution provide in writing a full explanation of the reason for its noncompliance; written confirmation of corrective action that will allow full compliance going forward; and reconfirmation that the financial institution will comply with its TAON Agreement. Failure to timely respond may result in revocation of “approved status” and removal from the Approved List.

2. Upon receipt of the written, timely response by the financial institution or in the absence of a written, timely response by the financial institution, the Bar in its sole discretion may determine that: (1) the explanation provided was acceptable and compliance with its TAON Agreement was not an issue; (2) the explanation for noncompliance was acceptable and corrective action demonstrates full compliance by the financial institution with its TAON Agreement to maintain approved status; (3) the explanation for noncompliance was unacceptable and the corrective action, if any, is insufficient and that the financial institution will be unapproved and removed from the Approved List in 45 days; or (4) the financial institution has provided no response and that the financial institution will be unapproved and removed from the Approved List in 45 days.
3. The Bar shall provide written notice to the financial institution of its decision regarding noncompliance. The Bar’s decision regarding provisional approved status or revocation of “approved status” is final and not subject to challenge.
4. Within five (5) business days after issuing its decision, the Bar will notify member lawyers with trust accounts of the date that the financial institution’s “approved status” will be revoked and removed from the Approved List and advising the lawyers that they must move their trust accounts to a financial institution on the Approved List within 30 days.
5. After the Bar revokes the “approved status” of a financial institution, the financial institution may not seek reinstatement to “approved status” for a period of six months after the effective date of the revocation of approval.
6. After the required nonparticipation period has expired, the financial institution may seek reinstatement to “approved status” by submitting a fully executed TAON Agreement, along with detailed information showing corrective action that resolved prior noncompliance.

Questions may be directed to the following persons:

Questions regarding these guidelines or the TAON Agreement (including overdraft reports) may be directed to Shannon Hughes, Assistant to Bar Counsel, (307) 432-2104, or by email to shughes@wyobc.org.

Questions regarding IOLTA accounts and “eligible financial institution” status may be directed to Angie Dorsch, Executive Director of the Equal Justice Wyoming Foundation, (307) 777-8383, or email to angie.dorsch@equaljusticewyomingfoundation.org.