

CIVIL COURT OF THE CITY OF NEW YORK

CIVIL COURT DIRECTIVE

Subject: Interest Rates on Judgments

Class: DRP-136B

Category: GP-20

Eff. Date: April 14, 2000

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BACKGROUND:

On March 7, 1994, we issued DRP-136 indicating that if the contract on which the action was based called for a higher interest rate than the statutory rate, the interest was to be computed at that rate. DRP-136 required that an affirmation by the attorney and a legible copy of the contractual provision indicating the rate be submitted to the Clerk.

On November 3, 1997, we amended DRP-136. DRP-136 A informed the Clerk that under Banking Law §§ 340 and 351[1], a New York Corporation could charge any interest allowed by law. In this directive, following Bruce v. Martin, 845 F. Supp. 145, SDNY, 1994, we said that the highest interest rate would be 24.9%.

At this time we amend DRP-136 once again.

DIRECTIVE:

In order to have a consistent citywide policy, Judgment Clerks are directed to permit an interest rate of 25%, following New York Penal Law § 190.40, provided that:

1. DRP-136 requirements are followed; and
2. There is an affirmation that the corporation is licensed under Banking Law §340-A.
3. The affirmation may be made by a party or by the attorney for the corporation, and may be included as a clause in the Verified Complaint or in a separate Affidavit of Facts.

4/14/00

/s/ Fern A. Fisher
Administrative Judge