

CIVIL COURT OF THE CITY OF NEW YORK

CIVIL COURT DIRECTIVE

Subject: Interest Rates on Judgments

Class: DRP-136

Category: GP-20

Eff. Date: Mar. 7, 1994

=====

BACKGROUND:

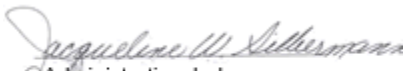
CPLR § 5004 sets forth the rate of interest which may be entered on a judgment. Absent any other statute or an agreement by the parties otherwise, this is the rate at which interest is to be computed.

However, Judgment Clerks are often requested to enter prejudgment interest at other rates. Examples of these are bank loans or credit cards. Sometimes the request for a higher interest rate is based on a contract. This is acceptable, and the clerks are directed as follows:

POLICY:

Prejudgment interest in excess of the amount set forth in CPLR § 5004 may be entered on a judgment in the instance where the parties clearly agreed to the imposition of that rate.

The party seeking the entry of the prejudgment interest must submit an attorney's affirmation with a legible copy of the contractual provision for the higher interest rate annexed to the affirmation. The attorney's affirmation must set forth the principal owed, the amount of prejudgment interest which has accrued and the basis for the calculation of the interest along with reference to the contractual provisions setting forth the interest rate.


Administrative Judge

January 2, 1994