

## **CUSTODIAN ACCOUNTS FOR NATIVE AMERICANS<sup>6</sup> ([12 C.F.R. § 330.7\(e\)](#))**

### **I. Definition**

This category pertains to deposit accounts held by the Bureau of Indian Affairs (“BIA”) on behalf of Native Americans and deposited into an IDI.

See the earlier discussion of government accounts for details on the deposit insurance coverage that applies to accounts of Native American tribes. In addition, the personal deposits of Native Americans are insured like any other depositor’s personal accounts.

### **II. Insurance Limit**

Under this category, the custodian accounts are insured up to \$250,000 for each Native American for whom the BIA is acting.

### **III. Requirements**

The requirements for obtaining coverage in this category (\$250,000 for the interest of each Native American) are the following:

- The account records must indicate that the funds are held by the disbursing agent in an agency capacity.
- The disbursing agent must hold the funds pursuant to 25 U.S.C. § 162(a) or similar authority.
- For per Native American coverage, the Native American must have an ascertainable interest in the funds.

### **IV. No Aggregation with Other Accounts**

In general, funds held by a fiduciary on behalf of the principal or the actual owner are combined with any other funds that the principal holds in the same ownership capacity at the same IDI. There is an exception for that general rule with respect to funds held under this category of ownership. Unlike other types of fiduciary accounts, deposits held by the BIA on behalf of a Native American are not aggregated with other deposits that the same Native American also may hold in the same ownership capacity at the same IDI.

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<sup>6</sup> The FDIC regulations use the term “American Indian” when referencing accounts of Native Americans.