

CUSTODIAN ACCOUNTS FOR NATIVE AMERICANS 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. Please note, the FDIC regulations use the term “American Indian” when referencing accounts of Native Americans.

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 that are insured on a pass-through basis are combined with any other funds that the principal holds in the same ownership category at the same IDI. There is an exception to that general rule with respect to funds held under this category of ownership. 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 category at the same IDI.