

September 18, 2006

Grace M. Harmon, President
Combined Employees Credit Union
106 South Houston Road
Warner Robins, GA 31088

Re: Share Insurance Coverage for Guardian Accounts.

Dear Ms. Harmon:

You have asked about the extent of account insurance for guardian accounts that a probate judge has set up for minors. As you have described the accounts, the total amount of funds deposited for each minor is insured up to \$100,000 under NCUA's share insurance rules.

A probate judge, acting as a conservator under Georgia law, has established separate guardian accounts for minors at Combined Employees Credit Union (CECU), a federally insured credit union. CECU's field of membership consists of city and county employees in Houston County, Georgia, and the probate judge, but not the minors, is a member. Each minor's funds are deposited in separately identified accounts, and each minor has a simple share account and at least one more savings-type account. The accounts are closed when the minor reaches 18 years of age or the minor's guardian obtains a bond.

Funds deposited by a conservator, guardian, or custodian in one or more accounts for the benefit of a ward or minor are aggregated and insured up to the standard maximum share insurance amount. 12 C.F.R. §745.3(b). Guardian accounts are insured as single ownership accounts separately from any other accounts of the conservator or minor. Id. To obtain account insurance for guardian accounts, either the conservator or the minor must be a member of the credit union. 51 Fed.Reg. 37549, 37554 (Oct. 23, 1986); OGC Opinion 03-0747 (Credit unions "may establish guardianship accounts if either the guardian establishing the account or the ward or minor is a member") (opinion available on agency's website at ncua.gov). Further, the guardian accounts the probate judge has established for each minor are insured separately from any other guardian accounts the judge has created for other minors. Each minor receives up to \$100,000 in account insurance for the aggregate amount of funds in all accounts the probate judge has established for that minor.

Sincerely,

/S/

Sheila A. Albin
Associate General Counsel