

Certain Retirement Accounts

These are deposits owned by one person and titled in the name of that person's retirement account.

The following types of retirement plan deposits qualify for coverage as "certain retirement accounts":

- All types of IRAs, including:
 - Traditional IRAs
 - Roth IRAs
 - Simplified Employee Pension (SEP) IRAs
 - Savings Incentive Match Plans for Employees (SIMPLE) IRAs
- All Section 457 deferred compensation plan accounts, such as eligible deferred compensation plans provided by state and local governments regardless of whether they are self-directed
- Self-directed defined contribution plan accounts, such as self-directed 401(k) plans, self-directed SIMPLE held in the form of 401(k) plans, self-directed defined contribution money purchase plans, and self-directed defined contribution profit-sharing plans
- Self-directed Keogh plan accounts (or H.R. 10 plan accounts) designed for self-employed individuals

All retirement accounts listed above owned by the same person in the same FDIC-insured bank are added together and the total is insured up to \$250,000.

The FDIC defines the term "self-directed" to mean that plan participants have the right to direct how the money is invested, including the ability to direct that the deposits be placed at an FDIC-insured bank.

If a participant of a retirement plan has the right to choose a particular depository institution's deposit accounts as an investment, the FDIC would consider the account to be self-directed. Also, if a plan has as its default investment option deposit accounts at a particular FDIC-insured institution, the FDIC would deem the plan to be self-directed for deposit insurance purposes because, by inaction, the participant has directed the placement of such deposits.

However, if a plan's only investment vehicle is the deposit accounts of a particular bank, so that participants have no choice of investments, the plan would not be deemed self-directed for deposit insurance purposes. Finally, if a plan consists only of a single employer/employee, and the employer establishes the plan with a single-investment option of plan assets, the plan would be considered self-directed for deposit insurance purposes.

Naming beneficiaries on a retirement account does **not** increase deposit insurance coverage.

Coverdell Education Savings Accounts (formerly known as an Education IRAs), Health Savings Accounts, and Medical Savings Accounts are **not** included in this ownership category. Depending on the structure, these accounts may be included in the single account or trust account ownership category.

Defined-benefit plans (benefits predetermined by an employee's compensation, years of service, and age) are **not** included in this ownership category. For information on these types of accounts, refer to the section on Employee Benefits Plan accounts.

Retirement Account Example	
Account Title	Account Balance
Bob Johnson's Roth IRA	\$ 110,000
Bob Johnson's IRA	75,000
Total	185,000
Amount Insured	\$ 185,000

Explanation:

Since Bob's total deposits in all retirement accounts at the same insured bank are less than the \$250,000 limit, both retirement accounts are fully insured.