



NODAWAY VALLEY BANK

December 31, 2010

The Federal Deposit Insurance Corporation (FDIC) is an independent agency of the United States government that protects against the loss of insured deposits if an FDIC-insured institution, such as a bank or savings and loan association, fails.

FDIC deposit insurance is backed by the full faith and credit of the United States government. Since the FDIC was established, no depositor has ever lost a single penny of FDIC-insured funds. FDIC insurance covers all deposit accounts, including checking and savings accounts, money market accounts and certificates of deposit. The FDIC has insured the deposits of Nodaway Valley Bank since 1934.

The basic limits* of FDIC deposit insurance coverage are:

Single Accounts (owned by one person)	\$250,000 per owner
Joint Accounts (two or more persons)	\$250,000 per owner
Trust Accounts	\$250,000 per beneficiary, subject to specific limitations and requirements.
IRA's and certain other retirement accounts	\$250,000 per owner

*refers to the total of all deposits that an account holder(s) has at each FDIC insured bank

All funds in a “noninterest-bearing transaction account” are insured fully by the Federal Deposit Insurance Corporation from December 31, 2010 through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least \$250,000 available to depositors under the FDIC’s general deposit rules.

The term “noninterest-bearing transaction account” includes a traditional checking account or a demand deposit account on which the insured depository institution pays no interest. It also includes Interest on Lawyers Trust Accounts (“IOLTA”). It does *not* include other accounts, such as traditional checking or demand deposit accounts that may earn interest, NOW accounts, and money-market deposit accounts.

To ensure funds are fully protected, depositors should understand the coverage limits. If you are concerned about deposit insurance coverage, we invite you to call or sit down with your NVB banker. The FDIC provides an Electronic Deposit Insurance calculator (EDIE) at www4.FDIC.gov/EDIE/ and offers toll free assistance at 1-877-ASK-FDIC. The FDIC’s web site address is www.fdic.gov.