



## NEWS RELEASE

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### FDIC CHAIRMAN OUTLINES RESPONSIBILITIES OF TASK GROUPS HANDLING THRIFT PROBLEMS

The Federal Deposit Insurance Corporation is assembling three task groups to tackle the main responsibilities it faces in carrying out President Bush's assignment to coordinate interagency oversight of insolvent savings and loan associations.

In remarks today to an Oklahoma Bankers Association conference in Scottsdale, Arizona, FDIC Chairman L. William Seidman said: "The activities of these task groups are designed to ensure stable operations in these institutions and evaluate options for permanently resolving their insolvency when funding is approved by the Congress."

Chairman Seidman emphasized that any options approved will fully protect insured depositors. "The U.S. government has made that absolutely clear. The commitment to protect insured depositors will be honored," he said.

Mr. Seidman described the missions of the three groups as follows:

- . Task Group I - To oversee and evaluate the condition of each institution, taking steps where possible to reduce operating costs.
- . Task Group II - To recommend steps to restructure and consolidate institutions where appropriate.
- . Task Group III - To begin the process of seeking out buyers for institutions, real estate and other assets.

Chairman Seidman said Task Group III's work will begin immediately. "But," he cautioned, "all transactions and agreements that require financial support will be contingent until funding is provided by the Congress. But, don't wait to come to us--we're looking for customers today."

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Chairman Seidman said the efforts of the three task groups will be coordinated in Washington using the FDIC's resources together with those of the other regulators participating in the program--the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, the Office of the Comptroller of the Currency and the Federal Reserve Board.

"The task will not be an easy one," Mr. Seidman warned. There will be mistakes and the undertaking will place a strain on the FDIC's resources.

"We are dedicated to making this a successful team effort. Success will bring a better stabilized financial system--a goal the banking and thrift industries surely desire."

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