



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS
VICTIMIZED BY SEVERE RAIN AND SNOW STORMS IN THE STATE OF
NEW MEXICO AND BY SNOW MELT RUN-OFF WHICH RESULTED IN
FLOODING, MUDSLIDES, AND LANDSLIDES IN THE STATE OF COLORADO

Regional Director Roy E. Jackson of the Federal Deposit Insurance Corporation today announced that the FDIC has granted victims in New Mexico and Colorado temporary exemption from the interest rate regulations that penalize holders of time deposits for withdrawal of funds prior to maturity.

This waiver is limited to depositors who have suffered losses in Eagle County, Colorado, and results from an amendment to the notice of a major disaster for this State by the President dated December 4, 1984. PR-95-84(8-7-84) included Delta, Garfield, Gunnison, Mesa, Moffat, Ouray, Pitkin, Rio Blanco, Routt and San Miguel Counties; PR-117-84(10-1-84) included Dolores, Hinsdale, Montrose, and Saguache Counties which were all declared disaster areas by the President on July 27, 1984.

In the State of New Mexico, the waiver is limited to depositors in the following Counties: Grant, Lincoln, Torrance, Catron (Irrigation District), and Hidalgo (Irrigation District). The President declared these Counties disaster areas on January 18, 1985, resulting from severe rain and snow storms from December 18 to December 29, 1984.

Insured State-chartered banks that are not members of the Federal Reserve System, whether or not they are located in the immediate disaster areas, may allow depositors who can show that they have been damaged as a result of the disasters to withdraw all or part of their time deposits before maturity without paying a penalty. Depositors seeking to avail themselves of the suspension will be required to furnish their banks with proof of losses occasioned by these particular disasters.

This suspension is retroactive to December 4, 1984, for victims in the State of Colorado, and January 18, 1985, for victims in the State of New Mexico, and will be in effect for six months. This will provide eligible depositors sufficient time to determine their losses and the need for funds.

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