



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS
VICTIMIZED BY TORNADOS AND SEVERE STORMS IN THE STATE OF OHIO

Regional Director Jerald L. Adams of the Federal Deposit Insurance Corporation today announced that the FDIC has granted bank depositors in Ohio, who suffered losses as a result of tornados and severe storms occurring on May 31, 1985, temporary exemption from the interest rate regulations that penalize holders of time deposits for withdrawal of funds prior to maturity. The waiver is limited to depositors who have suffered losses in Ashtabula, Columbiana, Licking, and Trumbull Counties, which were declared major disaster areas by the President on June 3, 1985.

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 disaster 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 this particular disaster.

This suspension is retroactive to June 3, 1985, for victims in the State of Ohio 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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