



# NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS  
VICTIMIZED BY CALIFORNIA FIRE

Regional Director Anthony Scalzi of the Federal Deposit Insurance Corporation today announced that the FDIC has granted bank depositors in California who suffered losses as a result of fire 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 suffered fire related losses in City of Los Angeles and Baldwin Hill, County of Monterey, County of San Diego, County of San Luis Obispo, County of Santa Clara, County of Santa Cruz, and County of Ventura which were designated major disaster areas by Presidential declaration effective July 19, 1985.

Insured State-chartered banks that are not members of the Federal Reserve System, whether or not they are located in the immediate disaster area, 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 any 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 will be in effect for six months from July 19, 1985. This will provide eligible depositors sufficient time to determine their losses and their needs for funds.

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