



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS
IN NEW JERSEY COUNTIES VICTIMIZED BY HURRICANE GLORIA

Regional Director Edward T. Lutz of the Federal Deposit Insurance Corporation (FDIC) today announced that the FDIC has granted bank depositors who suffered storm-related losses 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 public assistance for depositors who suffered losses as result of Hurricane Gloria on or about September 27, 1985 in Atlantic, Cape May, Cumberland and Monmouth counties. These counties were declared major disaster areas by the President on October 15, 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 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 is retroactive to October 15, 1985, and will be in effect for six months. This will provide eligible depositors sufficient time to determine their losses and their need for funds.

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