



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS VICTIMIZED BY WEST VIRGINIA FLOODING

Regional Director Paul M. Rooney of the Federal Deposit Insurance Corporation today announced that the FDIC has granted bank depositors who suffered losses as a result of flooding temporary exemption from the interest rate regulations that penalized holders of time deposits for withdrawal of funds prior to maturity.

This waiver is limited to individual assistance for depositors who suffered flood related losses in Grant, Greenbrier, Hardy, Harrison, Pendleton, Pocahontas, Preston, and Tucker counties which were designated major disaster areas by the President on November 7, 1985, Randolph county designated on November 9, 1985 and Barbour, Berkeley, Braxton, Calhoun, Doddridge, Gilmer, Hampshire, Jefferson, Lewis, Marion, Mineral, Monongalia, Monroe, Morgan, Nichols, Summers, Taylor, Tyler, Upshur, and Webster Counties designated November 10, 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 a part of their time deposits before maturity without paying 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 the above respective dates of designation for major disaster areas. This will provide eligible depositors sufficient time to determine their losses and their need for funds.

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