



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS VICTIMIZED BY HURRICANE GLORIA IN THE COMMONWEALTH OF MASSACHUSETTS

Regional Director Jesse G. Snyder of the Federal Deposit Insurance Corporation today announced that the FDIC has granted bank depositors in Massachusetts, who suffered losses as a result of Hurricane Gloria occurring on September 27, 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 the counties of Essex, Franklin, Hampden, Hampshire, Suffolk and Worcester, the Towns of Bourne, Falmouth, Mashpee in Barnstable County and the Towns of Beckett, Hinsdale, Monterey, New Marlborough, Otis and Sandisfield in Berkshire County. Mr. Snyder previously announced suspension of early withdrawal penalties for victims in Bristol, Middlesex, Norfolk and Plymouth Counties, the Towns of Manchester, Rockport and Saugus in Essex County, the Towns of Blandford, Chester, and Granville in Hampden County, the City of Revere in Suffolk County and the Towns of Holden, Shrewsbury and Southborough in Worcester County by Press Release dated November 6, 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 September 27, 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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