



NEWS RELEASE

FOR IMMEDIATE RELEASE

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FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK DEPOSITORS
VICTIMIZED BY TORNADOS IN NORTH CAROLINA AND SOUTH CAROLINA

Regional Director Edwin B. Burr of the Federal Deposit Insurance Corporation today announced that the FDIC has granted bank depositors in North Carolina and South Carolina who suffered losses as a result of severe storms and tornadoes temporary exemption from the interest rate regulations that penalize holders of time deposits for withdrawal of funds prior to maturity. The waiver covers depositors in the North Carolina counties of Bertie, Cumberland, Duplin, Gates, Greene, Hertford, Lenoir, Nash, Perquimans, Pitt, Robeson, Sampson, Scotland, and Wayne and the South Carolina counties of Abbeville, Chesterfield, Fairfield, Kershaw, Laurens, Marlboro and Newberry.

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 disasters 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 these particular disasters.

This suspension is retroactive to March 30, 1984, for victims in both Carolinas 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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