



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-122-84 (10-5-84)

FDIC SUSPENDS WITHDRAWAL PENALTIES FOR BANK
DEPOSITORS VICTIMIZED BY SEVERE STORMS AND
FLOODING IN THE STATE OF TEXAS

Regional Director Roy E. Jackson of the Federal Deposit Insurance Corporation today announced that the FDIC has granted bank depositors in Texas, who suffered losses as a result of severe storms and flooding, 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 in Cameron County.

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 a 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 2, 1984, and will be in effect for six months. This will provide eligible depositors sufficient time to determine their losses and the need for funds.

#####