



# NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-28-83 (4-14-83)

FDIC SUSPENDS WITHDRAWAL PENALTIES IN 17 ADDITIONAL COUNTIES FOR BANK DEPOSITORS  
VICTIMIZED BY CALIFORNIA STORM RELATED DISASTERS

Regional Director Charles E. Doster of the Federal Deposit Insurance Corporation today announced that depositors in 17 additional California counties have been granted temporary exemption from interest rate regulations that penalize holders of time deposits for withdrawal of funds prior to maturity. This action is taken as a result of the additional counties declared major disaster areas by the President due to the losses suffered from severe storms, high tides, wave action, mudslides, and flooding during the winter of 1982-83. 25 counties were covered in previous FDIC News Release PR-16-83 (3-10-83). The additional counties are Del Norte, Fresno, Humboldt, Madera, Merced, Napa, Placer, Riverside, Sacramento, San Joaquin, Shasta, Solano, Stanislaus, Trinity, Tulare, Yolo, and Yuba.

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 have been damaged as a result of the disaster area 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 February 9, 1983, (the date of the original disaster declaration) 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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