



9337 Liberty Road/Randallstown, Maryland 21133/Phone: (301) 922-3500

October 28, 1985

Dear Depositor:

Thank you for your patience, loyalty and understanding during the difficult times of the past months. Your overwhelming support, encouragement and faith in Liberty Savings and Loan has sustained the staff and Directors who have continued to work diligently to serve your needs through this time of transition and to effectuate all the necessary procedures and requirements to obtain FSLIC insurance.

As previously reported, Liberty filed its application for FSLIC insurance prior to the required deadline of July 1, 1985. A team of Federal examiners then arrived at Liberty and conducted a thorough examination of all operations, books and records. Upon completion of this examination, an Informal Exit Interview took place, and we are now awaiting the formal FSLIC report. We do not anticipate it will raise any major issues since we have, in the interim, completely resolved certain matters which, prior to this time, had caused the Association to remain in a state of limbo. The resolution of these issues will now enable the Association to work toward conclusion of the process to obtain FSLIC insurance. In this regard, let us assure you that the intense effort of the staff, accountants and attorneys of Liberty Savings and Loan will continue.

During the remainder of this transition period, we feel it is important to reiterate the total safety assured your deposits at Liberty under the newly established, State guaranteed Maryland Deposit Insurance Fund Corporation. Since Liberty's assets total less than \$40 Million, we are excluded from the much publicized December 31, 1985 deadline, and the guarantee of safety of your funds will extend uninterrupted beyond this date should it be necessary.

We again wish to thank you for your patience, confidence, and support and ask you to please continue to bear with us as we come down the homestretch of what has been a most traumatic time for us all.

Sincerely yours,

Judith Miles-Budoff

Judith Miles-Budoff
Managing Agent

Michele M. Levy

Michele M. Levy
Vice President

Norman J. Quinn, Jr.

Norman J. Quinn, Jr.
Comptroller

