

# **OCCASIONAL OVERDRAFT PRIVILEGE SERVICE (O.O.P.S.)**

## **POLICY**

**Bay State Savings Bank** (“we, us or our”) offers the Occasional Overdraft Privilege Service (O.O.P.S.) Service. If your account qualifies for Occasional Overdraft Privilege Service (O.O.P.S.), we will consider, without obligation on our part, paying items for which your account has insufficient or unavailable funds, instead of automatically returning those items unpaid. This document explains how Occasional Overdraft Privilege Service (O.O.P.S.) operates.

### **Transactions that May Qualify for Occasional Overdraft Privilege Service (O.O.P.S.)**

An overdraft occurs when you do not have enough money in your account to cover a transaction. Although there are many reasons why your account might become overdrawn, most overdrafts result from the following:

- a) You write a check, swipe your debit card or initiate an electronic funds transfer in an amount that exceeds the amount of funds available in your account;
- b) You deposit a check or other item into your account, and the item is returned unpaid which causes a negative balance in your account once your balance is reduced by the amount of the returned check;
- c) You have inadequate funds in your account when we assess a fee or service charge; or
- d) You initiate a transaction before funds deposited into your account are "available" or "finally paid" according to our Funds Availability Policy. For example, if you deposit a check into your account, the proceeds of that check may not be available to you for up to seven (7) business days after you deposit the check. If you do not have sufficient funds in your account—*independent of the check*—to cover the transaction, you will incur an overdraft.

The Occasional Overdraft Privilege Service (O.O.P.S.) applies to a variety of transactions including checks and other transactions made using your checking account number, automatic bill payments, ATM transactions, and everyday debit card transactions; however, we will not include ATM and everyday debit card transactions within our Occasional Overdraft Privilege Service (O.O.P.S.) without first receiving your affirmative consent to do so. Absent your affirmative consent, ATM and everyday debit card transactions generally will be not be paid under Occasional Overdraft Privilege Service (O.O.P.S.).

Participation in Occasional Overdraft Privilege Service (O.O.P.S.) is not mandatory. You may opt-out of the service any time by notifying one of our service representatives. Furthermore, you may revoke your affirmative consent to have ATM and everyday debit card transactions considered for payment under Occasional Overdraft Privilege Service (O.O.P.S.) without removing other items from the service. Simply inform us of your preference.

As noted above, we retain full discretion to decline to pay any item under the Occasional Overdraft Privilege Service (O.O.P.S.). This means we can refuse to pay any overdraft for any reason. Even if we decide to pay an overdraft item, absent an agreement to the contrary, such payment does not create any duty to pay future overdrafts. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft.

### **Fees**

For each overdraft we pay, we will charge the standard per item overdraft fee set forth in our fee schedules (currently **\$35.00**). There is a limit of five (5) per item overdraft fees we will charge you for overdrawing your consumer checking account on any business day. We will notify you by mail if we pay or return any insufficient or unavailable funds items on your account; however, we have no obligation to notify you before we pay or return any item. The amounts of any overdrafts, including our fees, are due and payable immediately or on demand.

### **Accounts Eligible for Occasional Overdraft Privilege Service (O.O.P.S.)**

Occasional Overdraft Privilege Service (O.O.P.S.) is a discretionary service and is generally limited to an \$800 overdraft (negative) balance for eligible personal checking accounts; or a \$1,500 overdraft (negative) balance for eligible business checking accounts. Please note that per item overdraft fees count toward your Occasional Overdraft Privilege Service (O.O.P.S.) Limit. We may in our sole discretion limit the number of accounts eligible for Occasional Overdraft Privilege Service (O.O.P.S.) to one account per household or per taxpayer identification number. Further, Occasional Overdraft Privilege Service (O.O.P.S.) is usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- a) The account has been open for at least thirty (30) days;
- b) The account has deposits totaling at least \$500 or more within each thirty (30) day period;
- c) The account demonstrates consistent deposit activity;
- d) The account owner is current on all loan obligations with us; and
- e) The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

As an alternative to Occasional Overdraft Privilege Service (O.O.P.S.), we offer a deposit-to-deposit overdraft protection transfer service that links two accounts, such as a checking account to a savings account. If you apply for this optional service, you may save money on the total fees you pay us for overdraft protection services.

Overdrafts should not be used to pay ordinary or routine expenses and you should not rely on overdrafts as a means to cover these expenses. If at any time you feel you need help with your financial obligations, please contact one of our customer service representatives at your local branch office.