



*The Commonwealth of Massachusetts*  
*Office of the Commissioner of Banks*  
*One South Station*  
*Boston, Massachusetts 02110*

JANE SWIFT  
GOVERNOR

THOMAS J. CURRY  
COMMISSIONER

January 23, 2002

Betty A. Therrien  
Operations Officer  
UniBank for Savings  
49 Church Street  
Whitinsville, Massachusetts 01588

Dear Ms. Therrien:

This letter is in response to your correspondence dated January 7, 2002 to the Division of Banks (the "Division") in which you request an opinion relative to the "18-65" law, so-called, in the Commonwealth.

In your letter you pose four questions concerning the charging of fees for the purchase of bank checks or money orders by persons eighteen years of age or younger or sixty-five years of age or older. You question the prohibition against a bank charging a fee for a bank check or money order when a protected person withdraws funds from an account at the bank when the same person may be charged a fee for the same services when paying cash for the bank check or money order.

Massachusetts General Laws chapter 167D, section 2 prohibits any fee from being charged against an "18-65" account at a state-chartered bank in the Commonwealth. Regulatory Bulletin 3.3-101 was issued by the Division in order to address questions which have arisen relative to the scope and coverage of the "18-65" law provisions of said section 2. Section C (3) of the Regulatory Bulletin establishes the policy relative to bank checks and money orders as related to accounts opened by customers under the "18-65" law. Section C (3) definitively states that no fees may be charged for a certified check, bank check or money order when the funds are withdrawn from an "18-65" account because these are normally anticipated transactions for such accounts. Therefore, the answer to your first question is – yes.

You raise the issue whether a customer within the ages of the "18-65" law who comes into the bank with cash and wishes to purchase ten bank checks or money orders may be charged a fee for the instruments. Since both chapter 167D, section 2 and Regulatory Bulletin 3.3-101 provide protection against fees for "18-65" accounts established at the bank, a person paying cash, who may or may not have an account at the bank, may be charged a fee for certified checks, bank checks or money orders. The "18-65" law, so-called, is intended to apply to bank accounts of protected customers, not prohibit the charging of fees to any person purchasing a product at the bank. Therefore, the answer to your second question is – no.



Betty A. Therrien  
Page Two  
January 23, 2002

The next issue you raise concerns whether the Bank can charge a fee for a person making a withdrawal from an "18-65" account in the form of a check instead of cash. The analyses based on the Regulatory Bulletin is the same as in the first issue. Therefore, the answer to your third question is – yes.

The final issue you raise in your letter deals with Travelers Checks. You correctly state that fees may be charged to protected account customers for Travelers Checks and question why these instruments are treated differently than bank checks or money orders. The Division has determined that the purchase of travelers checks is not a normally anticipated transaction as part of an account and a fee may be charged for such product. The Division's position on this matter is set out in Section C (8) of the Regulatory Bulletin.

The conclusions reached in this letter are based solely on the facts presented. Fact patterns which vary from that presented may result in a different position statement by the Division.

Sincerely,



Joseph A. Leonard, Jr.  
Deputy Commissioner of Banks  
and General Counsel

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