



Shopping for
**Money
Wire
Services**

**Five Steps You Can
Take to Avoid Fraud
& Save Money**

The National Consumer Law Center is a resource for lawyers and others on consumer issues facing low-and moderate-income Americans. This brochure was supported, in part, by a grant from the Open Society Institute.

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\$ave Money

You've seen the ads and know their logos...but do you know how much it will really cost you to send money by wire?

...or how to make sure that the person you're sending the money to actually receives it?

Here are a few steps you can take to protect yourself and save money:

1 Check with your state banking agency to see if a money wire business is licensed, especially if it's one that you've never heard of or don't know their reputation. Many states require companies to be licensed in order to sell wire transfers.

2 Always ask about the currency exchange rate you'll be getting. Many money wire businesses pad their profits by giving you a poorer exchange rate.

3 Shop around for the best fee and the best exchange rate.

4 Check out lower cost alternatives to traditional money wire services, especially for sending money to Mexico. Some of these include:

- IRnet: a program available at many credit unions. More information is available from the World Council of Credit Unions (608) 231-7132 or at www.woccu.org.
- Dinero Seguro: from the U.S. Post Office.
- Internationally accessible ATM accounts.

5 If you do lose money, file a complaint with your state banking agency. Many states require money wire businesses to post a bond. If you lose money to a money wire company that goes out of business, the banking agency might be able to help you recover your money if the company was licensed and bonded. New York State even has an insurance fund to reimburse victims of money wire fraud.