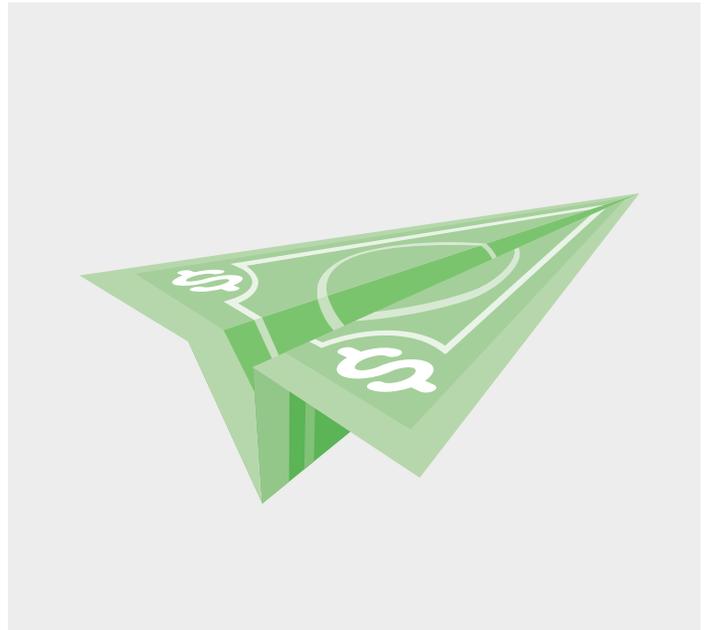


# Helping consumers understand remittance transfers

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Federal law protects consumers who send remittance transfers. For the purposes of the law, remittance transfers include most electronic money transfers over \$15 sent by consumers in the United States to recipients in other countries.

Recipients can include friends, family members, or businesses. Remittance transfers are also known as international wires, international money transfers, or just remittances.



## Remittance transfer providers

Under the federal law that protects consumers who send remittance transfers, a remittance transfer provider is a company that transfers money electronically for consumers in the United States to people and businesses in other countries.

Remittance transfer providers include many money transmitters, banks and credit unions, and possibly other types of financial services companies.

This federal law's protections apply only to transfers that qualify as remittances and are sent by remittance transfer providers.

## Transfers that are covered

- A money transfer is covered if it is more than \$15 sent by a consumer in the United States to someone in another country through a remittance transfer provider.

## Transfers that are not covered

- A money transfer sent to someone in the United States through a remittance transfer provider would not be covered because the transfer is not an international money transfer.
- Companies that consistently send 500 or fewer remittance transfers a year do not qualify as remittance transfer providers and are not covered by the rule.

## Consumers see costs before they pay

Consumers see information including the amount of money to be transferred, the exchange rate, fees charged by the provider, taxes collected by the provider, and the amount of money expected to be delivered abroad (not including taxes or fees that may be collected on the receiving side). The company might have to provide the information in the language it used in its marketing materials or when it conducted the transaction, as well as in English.

The information is free and consumers are under no obligation to continue with the transfer once they receive the information.

## What happens before payment

For most transfers, information must be given in writing before the consumer pays for the transfer. For most transfers, the amounts disclosed must be exact, but in some cases they can be estimates. The information includes:

- The exchange rate
- Fees and taxes collected by the company
- Other fees involved in the transfer process
- The amount of money expected to be delivered, not including foreign taxes or certain fees charged to the recipient
- If appropriate, a statement that additional foreign taxes and fees may be deducted from the remittance transfer

## What happens at the time of payment

Remittance transfer providers are also required to provide the following information in the receipt provided to consumers:

- Exchange rate, fee and tax information that matches the amounts the remittance provider gave on the pre-payment disclosure
- When the money will be available to the recipient
- The sender's right to cancel the transfer
- What to do in case of an error
- How to submit a complaint

Remittance transfer providers also generally have the option to provide all of the required information in a single disclosure before payment is made. If the actual transfer information is different and the pre-payment disclosure is inaccurate, the consumer must receive a corrected disclosure.

Consumers generally have up to 30 minutes after they pay for the transfer to cancel the transaction, as long as the money has not been picked up by the recipient or has not been deposited into the recipient's account. If a remittance transfer is scheduled more than three business days in advance, it can be canceled if the provider receives the cancellation request up to three business days before the scheduled date of the transfer.

## If something goes wrong with a remittance transfer

- Consumers can dispute an error up to 180 days from the date the remittance transfer provider said the money would be available.
- The company then has 90 days to investigate the matter and must tell the consumer the results of the investigation. If an error occurred, the consumer may be able to get a refund or have the money sent again.

This is not an exhaustive list of the protections provided by federal law. Other protections may also be available to consumers, depending on the laws in their states.

## About the CFPB

The Consumer Financial Protection Bureau (CFPB) is a 21st century agency that helps consumer finance markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives.

Learn more at [consumerfinance.gov](https://consumerfinance.gov)

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