

## Tips to Avoid Scams and High Fees when Sending Money Home

### TIP # 1:

Use a licensed money  
transmitter.

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### TIP # 2:

Save your receipts.

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### TIP # 3:

Consider joining  
a community  
development  
credit union.

## About NEDAP

The **Neighborhood Economic Development Advocacy Project (NEDAP)** is a resource and advocacy center for community groups in New York City. Our mission is to promote community economic justice, and to eliminate discriminatory economic practices that harm communities and perpetuate inequality and poverty.

NEDAP works for economic justice by integrating community education, coalition organizing, corporate accountability and policy advocacy, research and documentation, legal representation, and technical support.

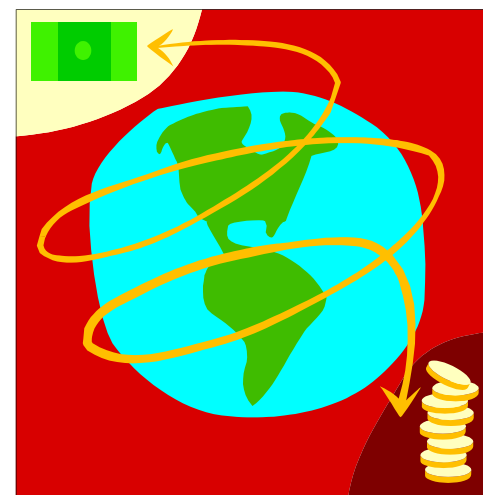
For more information, visit: [www.nedap.org](http://www.nedap.org)

## Immigrant Financial Justice Project

NEDAP's **Immigrant Financial Justice Project** promotes equal access to financial services and credit for immigrant New Yorkers, through community education, organizing and coalition advocacy.

To download this brochure & other materials  
on immigrant financial justice issues, go to:  
[www.nedap.org/programs/ijfp.html](http://www.nedap.org/programs/ijfp.html)

# SENDING MONEY HOME: CONSUMER RIGHTS & OPTIONS IN NYC



**IMMIGRANT FINANCIAL JUSTICE PROJECT**  
Neighborhood Economic Development  
Advocacy Project (NEDAP)  
176 Grand St., Suite 300  
New York, NY 10013  
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## 1. Use a licensed money transmitter.

One way to protect yourself from fraud is to make sure you are using a licensed money transfer company (transmitter). The NYS Banking Department licenses and regulates money transmitters. It is illegal to operate a money transfer business in New York without a license. Find a list of licensed transmitters at [www.banking.state.ny.us/simoneyt.htm](http://www.banking.state.ny.us/simoneyt.htm).

Money transmitters operate through agents—such as check cashers, travel agencies and multi-service stores—that many people use to send money. Agents are not licensed, but they must have a contract with a licensed transmitter.

Agents must post signs in English and other predominant languages spoken by customers, with the name, address and telephone number of both the agent and the licensed transmitter. The signs must also include contact information for the NYS Banking Department.

To file a complaint or report an unlicensed transmitter, call **1-877-BANK-NYS**. You can also call NEDAP's Financial Justice Hotline for free and confidential assistance (below).

## 2. Save your receipts.

Having a receipt makes it easier to trace your transactions and resolve disputes. By law, you are entitled to a receipt every time you send money. The receipt must state:

- the name and address of the licensed money transmitter, and a telephone number for any questions or complaints;
- that the business is licensed and regulated by the NYS Banking Department;
- that unresolved complaints may be sent to the NYS Banking Department;
- that the transmitter is liable for non-delivery or late delivery of the money;
- the refund policy (find out if there are time limits for filing refund claims);
- the dollar amount sent; and
- the fee charged (note: this does not include the foreign exchange rate)

*(Source: NYS Banking Department)*

## 3. Consider joining a credit union.

These community development credit unions offer low-cost money transfers, as well as affordable checking and savings accounts, loans, free tax preparation and ITIN assistance. You do not need a Social Security number to become a member. Contact them directly for more information:

### **BETHEX FCU** (Bronx)

Main branch: 20 E. 179 St., Bronx, NY, 10453  
Tel: (718) 299-9100 / [www.bethexfcu.org](http://www.bethexfcu.org)

### **BROOKLYN COOPERATIVE FCU**

(Bushwick and Bedford-Stuyvesant)  
1474 Myrtle Ave., Brooklyn, NY 11237  
Tel: (718) 418-8232 / [www.brooklyn.coop](http://www.brooklyn.coop)

### **LES PEOPLE'S FCU**

(Lower East Side and Central Harlem)  
Main branch: 37 Ave B., NY, NY 10009  
Tel: (212) 529-8197 / [www.lespeoples.org](http://www.lespeoples.org)

### **NEIGHBORHOOD TRUST FCU**

(Washington Heights and West Harlem)  
4211 Broadway, NY, NY 10033  
Tel: (212) 740-0900 / [www.cwcid.org/ntfcu](http://www.cwcid.org/ntfcu)

### **UNION SETTLEMENT FCU** (East Harlem)

237 E. 104<sup>th</sup> St., NY, NY 10029  
Tel: (212) 828-6063 / [www.unionsettfcu.org](http://www.unionsettfcu.org)

### **NYC FINANCIAL JUSTICE HOTLINE (212) 925-4929**

**(Se habla español. Nous parlons le français.)**

The hotline helps low income New Yorkers who have problems with bank accounts, debt collection, credit reports, money transfers and discriminatory lending practices.

For more information, call the hotline or visit:  
[www.nedap.org/hotline/index.html](http://www.nedap.org/hotline/index.html)

## 4. Other tips:

- ➔ Unfavorable exchange rates add to the cost of sending money. Ask how the exchange rate is calculated, and how much money will actually be paid to the recipient.
- ➔ You have the right to transfer money in U.S. dollars, unless the receiving country requires money to be converted to the local currency.
- ➔ Find out whether the recipient will be charged any fees when they pick up the money.
- ➔ Mexico has launched a "Money Transfer Calculator" to help people compare different options and costs when sending money home: [www.remesamex.gob.mx](http://www.remesamex.gob.mx).

- ➔ Some banks offer low-cost money transfers to certain countries. Make sure to ask if you must keep a minimum balance in your bank account, if the recipient needs to have an account, how the exchange rate is calculated, and what fees may be charged to you or to the recipient.
- ➔ Be careful with money transfers offered through pre-paid debit cards. These cards often carry high and hidden fees—for both you and the recipient.
- ➔ Organizations throughout the U.S. are pressing for reforms in the money transfer industry. For more information: [www.nedap.org/programs/ifjp.html](http://www.nedap.org/programs/ifjp.html); [transnationalaction.org](http://transnationalaction.org) & [appleseednetwork.org](http://appleseednetwork.org).