



# Sending money safely



## Is this you?

You are sending money to a person or business, and:

- you are using a firm that is not a bank or building society.

If so, this leaflet explains:

- what information the firm should give you
- what you need to check to make sure your money arrives safely, and
- what your rights are if things go wrong.

If you are sending money using a bank or building society, see our guide **Your bank account** for more information.

We try to ensure that the information and advice in this leaflet is correct at time of print. For up-to-date information and money advice please visit our website – [moneyadviceservice.org.uk](http://moneyadviceservice.org.uk).

The Financial Services Authority (FSA), the UK's financial services regulator, is responsible for firms based in the UK that send money on behalf of customers.

## What this means for you

The FSA sets out rules on how these firms must treat their customers and protect your money. The FSA is not responsible for other services that these firms may provide, such as foreign exchange.

The following tips will help to make sure that your money is safe and that it will get to the right place.

## Check the firm

Every UK-based firm that sends money for customers must be either **authorised** or **registered** by the FSA as a 'payment institution'. If it uses agents, the FSA must also be given details of them.

Bigger firms must be authorised by the FSA. Smaller firms can choose to be registered instead of authorised.

### Authorised

This means that the FSA checks that the firm:

- is properly organised and is run by suitable people who have not been convicted of financial crimes
- has enough money behind it, and
- has proper arrangements in place to protect customers' money if it gets into serious financial difficulty. This is known as 'safeguarding' (see below).

If they use agents, the FSA also makes checks on them.

### Registered

This means that the FSA checks **only** that:

- none of the people running the firm has been convicted of financial crimes
- it is based in the UK, and
- if it is choosing to safeguard its customers' money how it does so.

It does not make checks on any agents of the firm.

## Safeguarding your money

An authorised firm **must** keep your money separate from the firm's money. So if it gets into financial difficulty, your money will be safe and will be paid back to you if it is wound up.

A registered firm **does not have to** safeguard your money, but can choose to do so.

## What to check

### Is the firm authorised or registered?

You'll need to check the FSA Register – [www.fsa.gov.uk/register/psdFirmSearchForm.do](http://www.fsa.gov.uk/register/psdFirmSearchForm.do) – and search by either the firm (or agent) name or the registration number, which should be on its paperwork.

Or you can call the FSA on 0845 606 1234.

### What if it's not on the FSA Register?

This could be for one of two reasons, either:

- it is operating illegally, so you shouldn't use it, or
- it may be authorised in another EU country. This should be explained in its paperwork. The regulator in that country will have made similar checks to the FSA.

Call the FSA on 0845 606 1234 to check whether it is authorised in another EU country.

### Is your money safe?

If the firm is authorised, then the firm must make sure your money is safeguarded.

If it is registered, then it can choose whether or not to safeguard your money.

Call the FSA on 0845 606 1234 to check.

## Information all firms should give you

### Before you agree to the payment, find out:

- how much sending the money will cost you
- an indication of any exchange rate to be used

- how and when the person or business you are sending the money to can get it, and
- if it is possible to cancel the transaction, how to do so and what charges there will be.

**After you have handed the money over, the firm should give you (in writing):**

- a reference for the payment, and
- confirmation of the cost, the exchange rate and how long the payment will take to get there.

**Do not give this information to anybody except the person or business you are sending the money to. Fraudsters sometimes try to get hold of this information to collect the money before the correct person or business can do so.**

## **What to do if things go wrong**

If you have a complaint about the service you receive, you should first contact the firm to give it a chance to sort out the problem.

It must investigate your complaint and reply within eight weeks with a final response, or give reasons why it cannot give a final response. In the meantime it must keep you informed of progress in its investigation.

If you are not satisfied with its response, you can take your complaint to the Financial Ombudsman Service. The firm should give you details of this free service or you can call 0300 123 9123 or see [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

The Financial Ombudsman Service is an independent body, and it will investigate how the firm has dealt with your complaint.

If it decides the firm has acted unfairly and you've lost money, it can order them to put you back in the position you would be in if things hadn't gone wrong.

## Useful contacts

### Money Advice Service

For advice based on your own circumstances or to order other guides

**Money Advice Line:** 0300 500 5000

**TypeTalk:** 1800 1 0300 500 5000

[moneyadviceservice.org.uk](http://moneyadviceservice.org.uk)

Calls should cost no more than 01 or 02 UK-wide calls, and are included in inclusive mobile and landline minutes. To help us maintain and improve our service, we may record or monitor calls.

If you would like this leaflet in Braille, large print or audio format, please call us.

### Other Money Advice Service guides

- Your bank account
- Making the most of your money

This leaflet is available online in Arabic, Bengali, French, Hindi, Polish, Portuguese, Spanish, Urdu and Welsh.

Take our new online **health check**. Answer some straightforward questions and get your personal action plan to help you with your money must-do's and longer-term goals.

[moneyadviceservice.org.uk/healthcheck](http://moneyadviceservice.org.uk/healthcheck)

May 2011

© Money Advice Service May 2011 Ref: VRSN0015a

