



Money Transfers to Mexico

A Manual Examining the Transfer of Settlement Funds
from U.S. Advocates to Their Clients in Mexico

Third Edition April 2016

AMERICAN UNIVERSITY
WASHINGTON
COLLEGE OF LAW

CDM
CENTRO DE LOS
DERECHOS DEL
MIGRANTE, INC.



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Acknowledgments

This third edition manual is a biannual collaborative initiative of the Immigrant Justice Clinic at American University Washington College of Law (“the Clinic”), Centro de los Derechos del Migrante, Inc. (“CDM”), and Global Workers Justice Alliance (“Global Workers”).

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The Clinic, CDM and Global Workers would each like to acknowledge the important work of all the U.S. advocates who go the extra mile to ensure that transnational migrant clients get the justice they deserve. In order to remain relevant and to maximize continued utility, the Clinic, CDM and Global Workers hope that U.S. advocates will continue to share their experiences, successes, and challenges in sending money to their Mexican clients. Shared experiences and critical feedback about all of the mechanisms discussed in this manual will result in improved access to justice for transnational migrants! Strength is found in collective knowledge. The fourth edition is programmed for publication in 2018.

About the Authors

American University Washington College of Law Immigrant Justice Clinic

The Immigrant Justice Clinic (IJC) is one of eleven law clinics within the Clinical Program at American University Washington College of Law (WCL). The Clinical Program is designed to give law students the opportunity to represent real clients with real legal problems. The Student Attorneys take on the responsibility of handling litigation, negotiation, and addressing pressing legal issues with institutional clients in order to learn practical lawyering skills. Student Attorneys in the IJC work in teams under the supervision of a full-time faculty member. The IJC provides representation on a broad range of cases and projects involving individual immigrants and migrants, and their communities, both in the D.C. metropolitan area and overseas. Students Attorneys in the IJC regularly appear in Immigration Court, and may also appear before federal district court, the courts of Maryland and D.C., and before federal and state agencies. Since migration has a transnational dimension, the IJC occasionally advocates before regional and international bodies.

IJC’s work on the report falls under its area of focus on immigrant workers’ rights, one of four broad substantive areas that the Clinic targets in its caseload. The other substantive areas include: immigrant deportation defense and immigration detention; civil rights for immigrants; and immigration, gender, and sexual orientation. The docket of the IJC is structured so as to develop in students the skills and values

needed to be effective immigrants' rights practitioners, while also responding to the unmet legal needs of the client community.

Centro de los Derechos del Migrante, Inc.

Centro de los Derechos del Migrante, Inc. (Center for Migrant Rights, or CDM) is a transnational migrant workers' rights organization based in Mexico that supports migrant worker organizing and advocacy on both sides of the U.S.-Mexico border. CDM works to remove the border as a barrier to justice for migrant workers who experience workplace violations, exploitation and abuse during recruitment in Mexico and while living and working in the United States. CDM fights for a world where migrant workers' rights are respected and laws and policies reflect their voices. Through education, outreach, and leadership development; intake, evaluation, and referral services; litigation support and direct representation; and policy advocacy, CDM supports Mexico-based migrant workers to defend and protect their rights as they move between their home communities in Mexico and their workplaces in the United States.

Since opening its doors on Labor Day 2005, CDM has met with workers in communities throughout Mexico to ensure that migrants know their rights before they cross the border. CDM has also collaborated with workers and allies to recover millions of dollars in unpaid wages and other compensation and to establish important legal precedents and policies to protect migrants all along the migrant stream. CDM has supported the establishment and growth of the Comité de Defensa del Migrante (Migrant Defense Committee), a leadership development initiative of more than 75 community-based leaders who organize and empower migrant workers to defend themselves and educate their co-workers.

CDM's binational, multilingual staff and geographic reach have grown in response to increasing needs for its advocacy and services. Today, with headquarters in Mexico City, and two satellite offices in Juxtlahuaca, Oaxaca and Baltimore, Maryland, CDM has established itself as a powerful, transnational agent of change.

Global Workers Justice Alliance

Global Workers Justice Alliance ("Global Workers") is a Brooklyn-based NGO that safeguards the rights of migrants who have experienced exploitation in the United States, by ensuring access to portable justice: the ability of transnational migrant workers to continue fighting for their rights in countries of employment even after they return to their countries of origin.

At the core of Global Workers is the Global Workers Defender Network: experienced human rights advocates trained on U.S. laws to be on-the-ground support in migrant countries of origin. As of early 2016, Defenders cover ten states in México (Chiapas, Guanajuato, Guerrero, Hidalgo, Michoacán, Oaxaca, San Luis Potosí, Puebla, Tabasco, and Veracruz), Guatemala, Honduras, El Salvador and Nicaragua. As political, and cultural insiders, Defenders maneuver easily in their communities and provide a reliable link to migrant clients, making transnational litigation efficient and effective.

Defenders may (1) educate migrants about their labor rights before migrating to the U.S. and Canada; (2) receive complaints from migrants who have suffered labor exploitation while working in the U.S. or Canada; (3) serve as a liaison to lawyers in the U.S. and Canada in specific cases of migrants who have returned to their country of origin and have cases pending in the countries of employment; (4) address violations that migrants face in the country of origin related to work in the U.S. or Canada; and (5) advocate for improving laws and regulatory framework related to labor migration.

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I. Introduction

Your diligent advocacy has paid off for your Mexican clients, and they have now returned to their home communities. How do you now ensure that they receive their unpaid wages, monetary damages, or other funds? This manual aims to accomplish the following:

1. Examine the logistics of delivering settlement funds to a client in Mexico, including how to obtain identity documents and open a bank account.
2. Describe different options for sending money to clients in Mexico, such as sending checks, using wire and bank-to-bank wire transfers, and unique mechanisms.
3. Discuss ethical considerations and legal regulations that may affect money transfers from U.S. attorneys to clients in Mexico.

There is no correct one-size-fits-all answer for the best way to transfer money to Mexico. The best option in a given case will be shaped by answers to this set of key questions:

- How many clients are involved in the settlement distribution?

- How much money is involved?
- Will there be multiple rounds of distribution? Does the client live in an urban or rural part of Mexico?
- Is the contact with the client reliable?
- Does the client have a bank account? If not, is the client able to open an account? Is there a bank conveniently located to where your client lives? What are the requirements to open an account?
- Where is the money coming from? (Options may include directly from a defendant, an insurance company, a government agency or from the lawyer's client trust account.)
- Will the client be in the U.S. again soon?

The authors have made every effort to ensure the information in this manual is accurate and current as of its publication date. However, because business practices and bank requirements may change at any time, practitioners should use the information herein only as a starting point and verify all details prior to proceeding.

II. Key Logistical Issues: Identification Documents & Mexican Bank Accounts

When distributing funds to clients in Mexico, advocates must ask clients what type(s) of government-issued identification they hold and whether they have bank accounts in Mexico. The answers to these questions will determine the most appropriate money transfer option.

GOVERNMENT-ISSUED IDENTIFICATION

There are three main forms of ID in use in Mexico: the voter ID card, the driver's license, and the passport. The Mexican Postal Service also issues a form of ID, called the *Cartilla de Identidad Postal* (postal ID).¹ As described below, its use is limited, but it enables the client to cash international money orders.²

My Client Doesn't Have Any Identification Documents!

Clients based in Mexico may not have any government-issued ID. There are also Mexican nationals who never had their birth registered, which adds steps to obtaining some type of official identification.

Practitioners should inquire about ID at the start of representation. If the client does not have any ID, and monetary recovery seems likely, he or she should secure the needed documents as soon as possible. Clients may be daunted by this process and feel that it will take too long or is not worth the trouble. Explain that if they start now, they will likely have their IDs before the end of the litigation. Also explain that if and when money is awarded and there are funds to disburse, they will be able to access the funds more quickly, safely, and likely at less cost to them if they have IDs.

It is important to know what is involved when asking clients to obtain an ID. The processes take time. The requirements for each form of ID are described below.

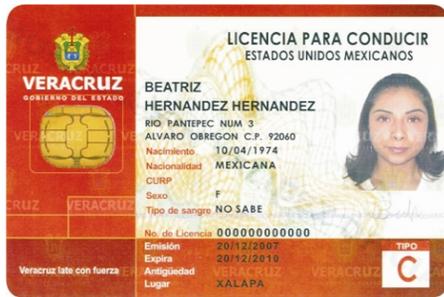
Obtaining the Cartilla de Identidad Postal (Postal ID)

In order to obtain the cartilla de identidad postal, issued by the Mexican postal system, an applicant must apply in person at a local post office branch.³ Required documents include: a birth certificate (original and copy);⁴ two passport-sized black and white photos; and proof of address, such as a utility bill from within the last three months (original and copy). As of January 1, 2016, the cost of a cartilla de identidad postal is 55 pesos.⁵ The cartilla de identidad can be used for cashing money orders but generally is not accepted by the offices of the *Instituto Nacional Electoral* and *La Secretaría de Relaciones Exteriores* for government processes, such as a passport application.



Obtaining a Driver's License

In Mexico, the process of obtaining a driver's license varies from state to state. The process requires the applicant to pay a fee (usually by making a payment at a local bank) and then provide proof of payment, proof of domicile, and identification to the proper agency.⁶ Some states specifically require a driving test while others do not.⁷



Obtaining a Credencial de Elector (Federal Voter ID Card)

Mexican voter ID cards are formally known as a *credencial para votar*, but colloquially referred to as a *credencial de elector* or simply, *credencial*. They are issued by the *Instituto Nacional Electoral* (National Electoral Institute). Information on how to obtain an official voter ID card is available from the agency's website: <http://www.ine.mx/portal/>. From this page, click on the link for *credencial para votar* for information regarding the process and requirements to obtain the document. The information is summarized below.

In order to obtain a voter ID card, the client will need proof of Mexican nationality (for example, a birth certificate); a form of photo ID (passport, military card, driver's license); and proof of address (e.g., utility bill).⁸ Currently, the issuance process requires the taking of digital fingerprints.⁹ The voter ID card is issued free of charge. Individuals may apply at locations throughout Mexico.¹⁰

Obtaining a Passport

In order to obtain a Mexican passport for the first time, an applicant must make an appointment at an office of *La Secretaría de Relaciones Exteriores* (SRE, or the foreign ministry), or one of its local affiliates via telephone at 01-800-801-0773 (8:00am – 8:00pm).¹¹ When making the appointment over the phone and attending the appointment in person, the applicant must provide proof of Mexican nationality (e.g. original and photocopies of the applicant's birth certificate, certificate of Mexican nationality, naturalization letter, or national ID card); an identification document that has a photo and signature (e.g. original and photocopies of voter ID card, national ID card, or naturalization letter); two passport-sized photos; and proof of payment.¹² During the in-person appointment at SRE, the applicant will complete an application form for a passport. As of January 1, 2016, the cost of a passport varies from 525 to 2,315 Mexican pesos, based on disability status, age, and occupation of the applicant, as well as the length of time that the passport is valid.¹³



MEXICAN BANK ACCOUNTS

Lack of access to banks and financial institutions for many Mexicans is one of the most significant practical hurdles to disbursing funds sent from the United States to Mexico. According to World Bank estimates, “74 percent of municipalities, supporting 22 percent of [Mexico’s] population, have no bank branch. About 75 percent of Mexicans live in an urban environment, yet 85 percent of adults in urban areas have had no dealings with formal financial institutions.”¹⁴ Banking in Mexico remains costly, and for those without access to banks, alternative financial services are even more expensive.¹⁵ Related challenges include what one commentator describes as “eye-watering high charges and commissions which are also intensely complex, high borrowing rates coupled with low deposit rates, and poor levels of customer service.”¹⁶ Opening bank accounts may be difficult – but not impossible – for some clients.

Should I Encourage My Client to Open a Bank Account in Mexico?

Usually. There are several considerations that lawyers should discuss when advising clients. Not only are bank-to-bank wire transfers the easiest, fastest, and most secure ways to transfer settlement funds to clients, many banks are willing to deposit checks drawn from U.S. banks into a Mexican account. Furthermore, in many communities in Mexico, it is simply safer to keep money in a bank account, rather than as cash. If the client can see a need for the bank account in the future, it may be well worth the effort and cost to open one immediately.

However, opening a bank account may be challenging because of the branch’s location, inconvenient hours of operation, or minimum balance requirements. If the total amount of money is relatively small and the client sees no need for a bank account in the foreseeable future, it may not be worth the effort.

Advocates may wish to counsel clients on the pros and cons of opening an account, after investigating the costs (fees, initial deposit and minimum balance requirements) associated with an account at the particular branch where the client will do his or her banking.

Note: In some cases, it may be possible to utilize banking services without actually opening a bank account. Some banks have programs that allow a recipient to pick up funds without having an account. A bank account is not needed for any of the wire transfer options discussed below. Furthermore, several of the specialized bank transfer options, including BANSEFI/ L@ Red de la Gente, and Directo a Mexico, provide the option of cash retrieval without requiring the client to have a bank account.

Typical Requirements for Opening a Bank Account in Mexico

The precise requirements for opening an individual bank account vary from bank to bank; and even within a particular bank, the requirements may vary between branches. It is always advisable to call the branch directly when investigating options for a particular client. Nevertheless, among Mexican banks, there are typical requirements, including: (1) government-issued identification (federal voter ID, passport, driver’s license); (2) utility bills that show the person’s address (often an electricity or telephone bill); and (3) an initial deposit, usually between 500 and 1500 Mexican pesos. After the account is opened, a monthly maintenance fee or minimum balance requirement usually applies.

BANK	IDENTIFICATION	PROOF OF RESIDENCE	INITIAL DEPOSIT	MINIMUM BALANCE & MONTHLY FEE	OTHER
Banamex ¹⁷	Voter ID card, military service card, professional ID, passport, INAPAM (for elderly), IMSS (Social Security), Mexican Driver's License	If the address on the ID is different from the address on the application, need a water, electric, telephone, or local tax bill	Two accounts are available: 1. "Monthly charge": 1,500 pesos required to open an account 2. "Pay per operation": 3,000 pesos required to open an account	1. No minimum balance is required though there is a monthly fee of 40 pesos 2. A minimum balance of 3,000 pesos is required to avoid a monthly fee of 145 pesos	You can receive deposits from abroad
Bancomer (BBVA) ¹⁸	Official ID with photo and signature: Voter ID card, professional ID, passport, INAPAM (for elderly), IMSS (Social Security)	Phone, water, electric, or local tax bill, preferably in your name	0 pesos (for the basic, general account)	You need to maintain a minimum balance of 1,000 pesos to avoid the closure of the account after 3 months	Opening and closing the account is free and there are no additional charges
Banorte ¹⁹	Official ID with photo	Proof of residence required (bills no more than 3 months old)	750 pesos	25 pesos + IVA per month. Fee will be waived if balance is equal to or above 15,000 pesos	
Bansefi ²⁰	Official ID with a photograph – original and a photocopy required	Proof of residence required (bills no older than 3 months)	50 pesos (basic savings account with debit card)	Must maintain a minimum balance of 50 pesos	Minimum requirements for transfers, deposits and withdrawals
HSBC ²¹	Voter ID card	Voter ID card, if the ID card does not have the address, then a phone, water, electric, or local tax bill less than 3 months old	3,000 pesos to open an account	For a basic savings account, there are two options: 1. Minimum balance of \$1,000 is required (you can receive money from the US) 2. No minimum balance is required with life insurance plan costing 1,200 pesos for six months	
Scotiabank ²²	Official ID with a photograph and signature	Proof of residence required	1,000 pesos	No minimum balance, but 35 or 45 depending on the account. Account available with no monthly fee but requires a minimum balance of 4,000 pesos	

III. Bank-to-Bank Transfers

Wiring money from one bank account to another is by far the most secure method of transferring money. Generally, these international bank-to-bank transfers are an excellent option when few workers are involved and the amount of money is high (e.g., one client to receive \$5,000). On the other hand, for example, if 300 workers are to receive \$100 each, this method may not be practical due to the cost and administrative burden.²³

In order to complete a bank-to-bank transfer, the client, of course, must have a bank account. Keep in mind that each sending and receiving bank has different fees, requirements, and processes, so it is important to inquire into these when pursuing a bank-to-bank transfer. Usually these transactions carry a cost for the sender (typically \$25-40 USD per transfer; Bank of America, for example, charges \$35 USD) and the recipient does not have to pay fees. Exchange rates may affect the money the client actually receives. A transfer may take anywhere from three days to up to two weeks or more. Senders must ensure that all of the account information for the recipient is correct. When transfers are returned, additional fees may be imposed.

The sender must provide the sending bank with the “Swift Code” for the receiving bank. This is an internationally accepted code (8-12 digits) that identifies the country, region, and specific bank where the money is being sent. The sender must also provide the account number to which the money is being wired, the name of person or entity associated with the account, the receiving bank’s address, and the address for the account-holder.

Bank to Bank Wire Transfers to Mexico: Terminology

Nombre de Banco (Name of Bank)
Dirección de Banco (Address of Bank)
Número de Cuenta de Banco (Bank Account Number)
A nombre de quien está la cuenta (Name on the Account)
Código Swift (Swift Code)
Clave bancaria estándar (Standardized Bank Key Code)

SPECIFIC BANK-TO-BANK TRANSFERS

Directo a Mexico

www.directoamexico.com

Directo a Mexico is a Mexican government program, which allows individuals to send money from a U.S. bank account to any bank account in Mexico or to any of the 1,580 Telecomm-Telégrafos branches in Mexico, to be picked up in cash.²⁴ Currently, financial institutions in 31 states and the District of Columbia participate in the program.²⁵

In order to transfer funds to the recipient's bank account, the sender must provide the following information: name of the recipient in Mexico, the recipient's 16-digit debit card number or her 18-digit *clave* (Mexican bank account routing number), the name of the bank in Mexico, and the dollar amount to be sent.²⁶ The recipient's account has to be in *pesos*.²⁷ The particular sending financial institutions set their transfer fees. The recipient will receive the funds in his or her bank account.

Alternatively, the funds can be sent via the "Account-to-Cash" option, so that the recipient can pick up the funds at any Telecomm-Telégrafos location. In order to transfer funds via the Account-to-Cash option, the sender must provide the following information: name of the beneficiary in Mexico (including both last names), address in Mexico, and the dollar amount to be sent.²⁸ The particular sending financial institutions set their transfer fees. The recipient can receive the funds at any local Telecomm-Telégrafos location upon providing government-issued ID, as well as the 16-digit transfer number provided to the sender after making the transfer.²⁹

Wells Fargo Express Send

<https://www.wellsfargo.com/international-remittances/mexico>

The Wells Fargo Express Send program is a service that allows Wells Fargo account-holders to transfer money to Mexico and 12 other countries.³⁰ Specifically, senders can transfer money from a Wells Fargo account to certain Mexican bank accounts, or other "Remittance Network Member"³¹ locations. Wells Fargo has established Remittance Agreement relationships with several large Mexican institutions that provide financial services: Bancomer, Banorte, Banco Santander, Bansefi, Scotiabank, Grupo FAMSA, SORIANA, and Telecomm-Telégrafos.³² The recipient does not need to have a Wells Fargo account, and can pick up the funds at any branch of the participating locations in Mexico. There is no additional fee for the recipient. However, the recipient should contact his or her bank in Mexico to verify this information. The client should call his or her bank in Mexico to make sure that they have the identification required for cash pickup.

The sender must enroll in the Express Send Service at a Wells Fargo branch.³³ Thereafter, it can conduct all transactions online. Transfer fees accrue when the ExpressSend transfer is initiated, and typically are \$5 USD.³⁴ The fee may be discounted by enrolling in the program in conjunction with opening a new Wells Fargo checking account.³⁵ There are daily transfer limits per beneficiary that vary, depending on the pick-up location.³⁶

Although the service can technically be set up with an institutional Wells Fargo account, the program website notes that ExpressSend "is intended for use only for consumer-to-consumer remittances and not for commercial or business related payments."³⁷ Under the program, there are a limited number of beneficiaries who can be linked to each account.³⁸ ExpressSend is not suitable for large-scale money transfers but is useful for a one-time or recurring transfer.

IV. Checks



SENDING CHECKS VIA MAIL

Although sending a check to a client in the mail might seem like a common-sense option, the process of receiving and cashing a check in Mexico is fraught with challenges. These challenges include: the insecurity of the postal system in Mexico; restrictions on cashing or depositing foreign checks in Mexico; and other red tape involved with dealing in checks. Below, we discuss the logistics around mailing checks internationally and attempting to cash them in Mexico. It has become extremely difficult, and in some cases impossible, to cash or deposit foreign checks in Mexico. Thus, if at all possible, it is advisable to send funds to Mexico-based clients via electronic transfer (see options below), as opposed to sending a check.



Reliability Issues with *Correos de México* (The Mexican Postal Service)

Due to concerns about the reliability of mail delivery in clients' home countries, many advocates prefer not to mail checks. Nonetheless, some agencies – including the U.S. Department of Labor and state-level labor agencies – regularly mail checks to clients overseas.

In order to be properly delivered to a residence in Mexico, the piece of mail requires the name, street address, city, state, and postal code. The U.S. Postal Service claims that mail found to be undeliverable in the destination country will “generally” be returned to the U.S. sender.³⁹ In reality, it is often difficult to determine what happened to a mailed check that is not received by a client in Mexico.

All mail sent from abroad to Mexico arrives centrally at Benito Juarez Airport in Mexico City. From there, it is delivered to Pantaco Terminal, where the first sorting occurs and the mail is sent to regional destinations, generally larger cities. Depending on the size of the client's town or village, delivery may take additional days. Note that

Correos de Mexico does not deliver to all locations in Mexico. That said, telephone bills for Mexican landlines are delivered by the postal service, so as a general rule, clients with home telephone service may receive residential mail delivery.

Due to these types of difficulties, most Mexican attorneys will not send important documents to their clients through *Correos de Mexico*. These lawyers' experience is that items sent through the Mexican postal service often enter a "black hole" and never arrive.⁴⁰ Instead, many attorneys rely on courier options, especially when theft or loss is a concern. These include FedEx, DHL, and Estafeta.

Sending Checks to Mexico via FedEx

www.fedex.com, 1-800-247-4747 (International Customer Service)

FedEx is a viable option for sending checks to clients in Mexico. Advocates who are considering using FedEx should inquire about any limitations on either the amount that can be sent by check or the number of checks sent in one envelope.⁴¹ Note that FedEx does not deliver to all parts of Mexico.⁴² This limited zone of delivery is a major drawback for many advocates. Second, FedEx does not provide insurance for checks, and relies on the sender to cancel a check if lost, but also asks that the sender declare the value for the shipment for customs purposes.⁴³

FedEx advises that the sender declare \$1 USD for any check below \$10,000 USD.⁴⁴ If the check is for \$10,000 USD or more, on the shipping label, the sender must state the amount of the checks. On the customs document, the sender should write "NCV" for checks over \$10,000 USD. Mexican customs require that the sender provide a statement with the following information: currency, the banking institution, check number, the check value, the sender's Tax ID or social security number, telephone number, and receiver's Tax ID number and phone number, along with a form completed by FedEx with this information.

According to a FedEx customer service representative in Mexico, FedEx will make three delivery attempts in Mexico, as it does in the United States.⁴⁵ After the third attempt, the package will be held for five days at the nearest FedEx location. If the client does not retrieve it by then, the package will then be returned to the sender.⁴⁶

Sending Checks to Mexico via DHL

www.dhl.com, 1-800-225-5345

For delivery of documents to Mexico, DHL is generally a secure option. According to DHL, the company will deliver checks of up to \$10,000 USD from the U.S. to anywhere in Mexico, provided the checks are made out to a specific individual.⁴⁷ Advocates in Mexico, however, report that DHL does not mail checks to and from individuals within Mexico, or from Mexico to the United States, and will scan packages to ensure there are no checks inside.

DHL requires an address that includes a postal code (*código postal*) in order to make a delivery.⁴⁸ DHL also requires a phone number for both the sender and recipient. The company delivers via intermediaries to small towns in the countryside. A surcharge applies to delivery outside of larger cities.

Mail sent via DHL is delivered to the residence, whether or not the person to whom the package is addressed is physically present. The person accepting the package must sign for the mail, but does not need to provide ID.⁴⁹

Another option is the *ocurre* service, whereby the package is delivered to a DHL office, where the designated recipient can pick it up with a photo ID. A phone number is also required for *ocurre* deliveries, in order for DHL to be able to advise the recipient that the package has arrived.

Sending Checks to Mexico via Estafeta

www.estafeta.com, 01-800-378-2338

Estafeta is a privately-owned mailing service that works in close conjunction with the United States Postal Service (USPS) for international mail delivery between the U.S. and Mexico. Estafeta allows the mailing of checks to Mexico that are under \$10,000 USD and made out to a specific individual (i.e., no blank checks).⁵⁰ Whether for mailing checks or for other purposes, Estafeta allows for the secure shipping and tracking of envelopes and small packages.

Telephone numbers are required for the sender and receiver, to allow for notification to the recipient after the package has arrived at one of Estafeta's office. Because Estafeta does not deliver to small villages, pick-up of the shipped item will most likely be required for recipients in rural areas. Many advocates in Mexico prefer to use Estafeta over FedEx or DHL to make secure deliveries. Every item sent via Estafeta can be tracked with a number, through a process called *guía* or *rastreo*. Estafeta's services are available in small stores (*tiendas*) and at freestanding company storefronts.

In case of an undeliverable or incorrect address, Estafeta will contact the sender. In case of non-delivery, the package will be returned at an additional charge.

CASHING OR DEPOSITING CHECKS

Cashing foreign checks in Mexico has become increasingly difficult. It is often impossible unless the client has a bank account. The client may be able to deposit a check drawn from a U.S. bank into the client's own Mexican bank account. However, it is always advisable to confirm this prior to sending the check to the client. Exact procedures depend on the particular bank. The process can involve long waiting periods, and some banks no longer allow the deposit of foreign checks at

all. For these reasons, it is critical that advocates have their clients investigate with their local bank and confirm all of these details before sending the check. It is therefore nearly always preferable to send funds via wire transfer, either through a bank-to-bank transfer or using a system like the Bansefi funds transfer mechanism described in this manual, as opposed to sending a check to a client in the mail. However, if necessary, it is possible in some circumstances.

Depositing Checks in a Bank Account in Mexico

When considering sending a check to Mexico, be aware that due to increased concerns over money laundering, an increasing number of banks will not deposit foreign checks, or they will impose additional requirements and/or long waiting periods following the deposit of the check. For example, Santander, Scotiabank, and HSBC will not deposit any foreign checks from the United States.⁵¹ For a fee of \$40-\$50 USD a piece, Banamex will deposit U.S. foreign checks exclusively into accounts that have been open for at least a year.⁵² Bancomer allows account-holders to deposit U.S. foreign checks into accounts that are at least six months old, providing that the check is no greater than 20% of the account's average balance over the past six months. For this service, Bancomer charges a variable commission and requires 21 days for the check to clear.⁵³ Because practices vary among the different banks in Mexico, and because banks often change their policies, it is imperative to contact the bank where the client has a bank account to ensure that they will deposit U.S. foreign check.

Cashing Checks in Mexico Without a Bank Account

Cashing foreign checks in Mexico without a bank account is nearly impossible. An option in the past was to cash checks at check-cashing businesses throughout Mexico (called *casas de cambio*). However, many *casas de cambio* no longer cash foreign checks. Even when they did, there were

costs and risks involved with the *casas de cambio*. Most offered an unfavorable exchange rate, charged a percentage of the check as a fee, and imposed a waiting period of approximately 20 days before the money could be paid out. Some *casas de cambio* paid out a small amount of the money at the outset, and the remainder at the end of the waiting period. If the client finds a *casa de cambio* willing to cash a foreign check, hopefully it is well known in the community and the client believes it to be trustworthy before handing over a check. There is minimal oversight over these entities.

ALTERNATIVES INVOLVING CHECKS

Depending on the number of clients and the amount of money involved, there are some additional ways to get settlement funds to clients in Mexico.

- If the client has a trusted friend or relative in the United States, the client could sign a limited power of attorney – drafted for use in the United States but executed in Mexico – authorizing the friend or relative to deposit the check into a U.S. bank account, and to then wire the funds to the client using one of the wire transfer mechanisms detailed in this manual.
- When significant funds are involved, the client could also provide a power of attorney to their advocate, authorizing him or her to open an account in the United States in the client's name, and then deposit the check into that U.S. account. The client could then access the money upon their return to the United States if they continue to work there. Or, the client could open an account in Mexico, and then wire the funds between his or her U.S. and Mexican accounts.

V. Wire Transfers



Wire transfers are a common way for individuals in the United States to send money to family members in Mexico. Transferring money to Mexico and other Latin American countries is still relatively cheap, compared to other regions of the world. Costs have decreased as new service providers have entered the market and governments have facilitated transfers.⁵⁴

There are pros and cons with U.S. attorneys using wire transfers to transfer money to clients residing in Mexico. In general, they occur quickly, and clients receive money in cash. Another benefit is the variety of pick-up locations, including banks, department stores, and other easy-to-locate businesses. Additionally, clients may be familiar with the process, given their own experience sending remittances home to their families.⁵⁵

However, there are some downsides. Transfer fees can add up, there may be limits on the amount that can be sent, and the administrative burden for advocates in the U.S. can be high. The wire transfer system was designed for remittance, not settlement distributions. Importantly, ethical rules governing how attorneys maintain client funds usually prohibit transferring funds from a personal account; therefore the institution (law firm or non-profit entity) rather than the individual lawyer representing the client will need to set up the transfer.⁵⁶ Moreover, the option is less secure for clients who may be walking out of a pick-up location with a substantial amount of cash. Nevertheless, because many Mexican clients will be familiar with these wire transfer mechanisms, they are worth considering.

In addition to well-known options such as Western Union, other businesses provide transfer services as well. They range from banks to online services, such as Xoom, to retailers, such as Wal-Mart. The fee for these services varies, depending on the amount sent. Also, the method of delivery and corresponding practical difficulties vary based on the service used. New services have emerged allowing account holders in the U.S. to transfer money from their U.S. bank account to a bank account in Mexico, or for cash delivery at select Mexican banks. These services are described in the chart below.

Wire transfers are generally convenient, but most services cap the amount that can be sent to a recipient within a fixed period of time. In recent years, some services have increased restrictions for recipients who reside in Mexican states along the U.S. border. One other helpful service to distribute money to clients is called “Transfer” but this service only works in Mexico for residents who have Telcel mobile phones.⁵⁷ If you are a U.S. attorney who resides in Mexico and need to transfer money to clients while in Mexico, the “Transfer” service could be another option.⁵⁸

SERVICE	FORMS OF DELIVERY	REQUIREMENTS FOR PICKUPS	FEES	TRANSACTIONS CAPS
Western Union	Cash Pick-Up, bank account, Prepaid Card, Mobile Phones	Valid ID and tracking number (MTCN)	For online transfers, range between \$4.99-\$25.00 for debit/credit card and \$.99-\$4.00 for WU or bank transfer	\$2,999 USD per transaction cap for online transactions; \$7,499 USD for in person transfers to Mexico; \$1,000 USD for transfers to Mexican states that border the U.S.A. during any two-week period
Western Union – Online FX international bank transfers	Bank Account	Check bank requirements	By wire \$22 USD; by EFT \$5 USD	No transaction cap
Xoom	Bank Account, Cash Pick-Up at Xoom pick-up agents: local banks, <i>casas de cambio</i> , or other third-party providers	Xoom transfer number and one of the following: driver's license, passport, or <i>tarjeta de elector</i> (IFE) (voter ID card)	\$4.99 USD when wiring from a bank account, range between \$4.99-\$75.99 when using a credit/debit card	\$2,999 USD per-transaction cap; different Xoom affiliates in Mexico have caps on how much an individual can receive per day
MoneyGram	Bank Account, debit card, Cash Pick-Up, Mobile Phones, the individual's home	Government-issued picture ID, including military ID, <i>tarjeta de elector</i> , or passport, and Reference Number for the transaction	In-person fees vary depending on the amount being sent; online fees vary depending on amount and the pick-up option, ranging from \$4 to \$7 USD	Transaction caps depend on the MoneyGram affiliate where the funds are sent. Maximum of \$9,099 USD can be sent daily from WalMart; \$2,000 USD daily from CVS. Online transactions capped at \$400.00 USD
DineroSeguro	Payout location bank in Mexico: Banco BanCoppel, Elektra Mexico, Telecom (1566 locations)	Must be at least 18, confirmation number, and photo ID (<i>tarjeta de elector</i> , passport, Bancomer credit card, and more; if none of these, the recipient may present a letter issued by a local authority, verifying identity)	From \$11-\$26 USD per transfer	\$1,500 USD per transaction
Ria	Bank Account; payout location in Mexico	Ria pin number and a government-issued identification	If using credit/debit card, fees range between \$4-\$105; if using bank account, fees will be up to \$4	\$2,999 USD per 30-day period but can send more money by calling Ria Customer Service Department and providing additional information

WIRE TRANSFER COMPANIES

Western Union

www.westernunion.com

Western Union is one of the largest and most recognized wire transfer services in the world. As with any wire service, advocates should be aware that there are sending caps, fees and other restrictions. With more than 500,000 locations worldwide, including 18,000 agents in Mexico, Western Union provides a widespread network of pick-up locations.⁵⁹ Money transfers via Western Union can be conducted online, by phone, or in person through a local branch.⁶⁰

Generally, Western Union customers send funds by either making a transfer from an account linked to a debit card or using a credit card. To send money online, the sender can only use a Visa, MasterCard, or Discover credit card. Sender and recipient information must be filled out individually for each wire transfer. Currency is converted based on that day's exchange rate. Fees differ depending on whether money is sent online or in-person, the state from which the transfer is originating, and the amount.⁶¹ The fees are lower for online transactions. There is no fee for the recipient to pick up the funds at the designated Western Union branch.

Western Union imposes a cap of \$2,999 per-transaction for online transfers.⁶² Restrictions on the amount of money that can be sent in person depends on the country where the money is being sent. For Mexico, the transaction cap is \$7,499 for transactions made in person and any more will require further documentation.⁶³ However, certain payout locations have additional limits. For example, the maximum payout amount at Western Union-affiliated banks in Morelia, Michoacán is \$7,000 per day.⁶⁴ Additionally, only \$1,000 USD may be sent to Mexican states that border the U.S. during any two-week period.⁶⁵ There is no frequency limitation to any other states in Mexico,

but be aware that the amount sent may be limited by the amount of cash kept on hand at the pick-up location. To receive funds in Mexico, the recipient must present valid identification.⁶⁶ The recipient must also present the tracking number (MTCN), which is found in the sender's receipt.⁶⁷

Western Union – Online FX

Online FX is a corollary of Western Union that allows transfers directly from a bank account for any amount over \$3,000 USD.⁶⁸ Because Western Union itself does not allow bank-to-bank transfers, their corollary service Online FX is the system an individual or a law firm would use to transfer money from their bank account to a Western Union pickup branch or branch.

The Online FX website suggests there are no minimum transaction requirements to maintain an account.⁶⁹ Online FX offers two different methods of transfer: wire transfers and electronic funds transfers (EFT).⁷⁰ Both are bank-to-bank transfers; wire transfers will transfer funds within 1-2 business days to a Mexican bank account for a fee of about \$22 USD.⁷¹ EFTs will be 3-5 business days between accounts for a fee of about \$5 USD.⁷²

To sign up for Online FX, an advocate would need to enroll by completing various documents. For individuals, the primary information needed is a bank statement, one valid government-issued ID and one secondary ID (i.e., passport, driver's license, or birth certificate), and a physical mailing address (P.O. boxes are not accepted).⁷³ For a business or law firm entity, Online FX requires proof of signing authority, official business documentation (e.g., a business license), a physical mailing address (P.O. boxes are not accepted), one valid government-issued photo ID and one valid secondary ID (i.e., passport, driver's license, or birth certificate), and a list of all shareholders who hold at least 25% of the company.⁷⁴

Xoom

www.xoom.com

Xoom is a more recent addition to the money-wiring scene, and it is gaining in popularity. Xoom does not have storefront locations; all transactions take place over the internet.⁷⁵

To set-up an account with Xoom, the sender must provide an email address, phone number, and method of payment (credit card, debit card, or bank account).⁷⁶ Xoom only offers accounts to individuals; there is no institutional account option.⁷⁷ Because transfers must be conducted person to person, this may pose ethical issues for U.S. lawyers who work for organizations or law firms because they would have to withdraw money from their law firm's client trust account and transfer it to an individual lawyer before completing the Xoom wire transfer to the client.

Money sent by Xoom to Mexico can be transferred to a Mexican bank account or made available for pick-up in cash. When picking up cash, the funds can be sent to any of Xoom's cash pick-up agents, which include local banks, *casas de cambio*, or other third-party service providers.⁷⁸ Xoom's network offers 15,184 pick-up locations in Mexico, the list of which is available on their website.⁷⁹ In order to pick up money in Mexico a recipient must provide a Xoom tracking number and one of the following: driver's license, passport, or *credencial para votar* (voter ID card).⁸⁰ The maximum amount that can be sent to Mexico varies by the receiving institution; for example, the limit for BBVA Bancomer is 16,553 pesos, per recipient, per day.⁸¹

When arranging a transfer of funds, a phone number is required for both sender and recipient, and an email address is required to track the transaction. The website will prompt the sender for information about the amount of the transaction, purpose of transaction, source of funds, and information about the recipient including name,

address, phone number, date of birth, email address (if any), and disbursement method.

If the money is wired from a U.S. bank account, there is a \$4.99 fee cap per transaction.⁸² The maximum a sender can send at one time is \$2,999 USD.⁸³ If paying with a debit or credit card to send money to Mexico, the fee increases with the amount sent. These fees range from \$4.99, to wire between \$25 and \$250, to \$75.99 to wire \$2,999.⁸⁴ The current exchange rate being used by Xoom is available on the "fee calculator" portion of their website.

Xoom limits the transactions from any one sender, so it may not be the best method of transfer for an advocate with many clients. Although each Xoom transaction is capped at \$2,999, immediately after signing up, a sender can send up to \$6,000 in a 30-day period (and up to \$19,500 in 180 days) by providing additional information to Xoom.⁸⁵ Additional information is also required to send even higher amounts of money, such as the sender's occupation or a government-issued identification number (e.g., a driver's license number).⁸⁶ Xoom also imposes caps on the amount of money that can be received by an individual within a fixed period of time; there are caps per 24 hours, per 30 days, and per 180 days.⁸⁷

MoneyGram

www.moneygram.com

MoneyGram is a global payment services company. The MoneyGram Money Transfer service allows individuals to send and receive money in over 200 countries, primarily through a global network of third-party agents.⁸⁸ As of September 2015, it is unclear whether an organization may set up an account to transfer money.⁸⁹ Money can be transferred person-to-person (also known as cash-to-cash), directly to a bank account, to mobile phones, to the individual's home, and to debit cards.⁹⁰

Individuals or organizations can send money to Mexico in person from a MoneyGram agent location. The funds can be transferred to a Bancomer bank account, sent to a Visa card, or retrieved in cash at a MoneyGram agent location, Bancomer branch, or at a Telecomm-Telégrafos office. For these services, the fee depends on the amount being sent and the way it is being sent.⁹¹

If the money is sent online, there are two payment options: the sender can pay with a debit or credit card or can have money taken out of a bank account for same-day delivery of the money. The same-day debit or credit card option is slightly more expensive, but the exact fees vary depending upon the amount sent and the specific receipt option (cash pick-up with an agent in Mexico, funds sent to a Visa card, transfer to a Bancomer account, cash pick-up at Bancomer, or cash pick-up at Telecomm-Telégrafos). For example, to send \$200 for cash pick-up at a MoneyGram agent location, the fee is \$5 for a debit or credit card payment and \$4 for payment from a bank account. To send \$700 for cash pick-up at Telecomm-Telégrafos, the fee is either \$10 or \$4, respectively.⁹² This is a substantial decrease from just two years ago, when the fees for pick-up at Telecomm-Telégrafos were at least double the current rates.

The maximum that can be sent daily via MoneyGram to Mexico depends on the MoneyGram affiliate from which the funds are sent. For example, CVS pharmacy caps transactions to Mexico at \$2,000, whereas Wal-Mart allows transactions up to \$9,099.⁹³ Transactions conducted online via the MoneyGram website are capped at \$400.00.⁹⁴ To pick up the funds in Mexico, the client will need the Reference Number for the transaction and a valid government-issued picture ID, including military ID, *tarjeta de elector*, or passport.⁹⁵



SureMoney/Dinero Seguro (U.S. Postal Service)

<https://www.usps.com/international/money-transfers.htm>

SureMoney is a money transfer program administered by the U.S. Postal Service to certain countries including, among others, Mexico, El Salvador, and Honduras.⁹⁶ A sender may transfer up to \$1,500 a day.⁹⁷ The money is sent from a participating U.S. post office to a payout location bank in the receiving country.⁹⁸ There are over 2,500 payout locations in Mexico at designated Banco BanCoppel bank branches.⁹⁹

To use SureMoney, one must appear in person at a U.S. Postal Service location that uses the program. Note that SureMoney is not available at all post office locations. To find the nearest location, call 1-888-368-4669. Money can be sent using cash, a traveler's check, ATM or debit card, or a cashier's check, payable to the Postmaster for the amount of the transfer plus the transfer fee.¹⁰⁰ The fees range from \$11 to \$16 per transfer, and are listed on the SureMoney website.¹⁰¹

The recipient must be at least 18, and have a confirmation number and photo ID. The name on the transaction must match the name on the ID. The program accepts many IDs with photo, including the *tarjeta de elector*, a Mexican passport, a Bancomer credit card, and more. Absent any of

these forms of ID, the recipient may present a letter issued by a local authority, which verifies his or her identity.¹⁰² The recipient does not need to have an account at the bank where the money is picked up.

Ria Money Transfer Services

www.riamoneytransfer.com

Ria is a fast-growing international money transfer service that allows online money transfers from a bank account, credit card (VISA or MasterCard), or debit card, to and from several countries, including Mexico.¹⁰³ It is praised for its expediency and its multiple methods of delivery, which include direct bank account transfers and pick up at correspondent locations. They also promise federal compliance with each U.S. state's laws and every jurisdiction in which Ria operates.¹⁰⁴

Ria does not specifically process commercial transactions; therefore, a user on behalf of a business, such as a law firm or non-profit organization, will be subject to all the same rules and restrictions as an individual. If a sender uses a credit/debit card, he or she must pay a higher fee for the transfer (ranging from \$4 to \$105), but it will only take a few minutes for the transfer to be completed.¹⁰⁵ If the sender uses a bank account, he or she will only have minimal fees up to \$4, but will need to have the bank account(s) approved by Ria *before* use, which adds additional time to the first transfer.¹⁰⁶ The beneficiary of the transfer can either pick up funds at a specific payout location designated by the sender (either a Ria agent or correspondent location, such as a financial institution, agent location, or chain store) or it can be deposited in his or her bank account(s).¹⁰⁷ According to a Ria representative, "[a] chain store means a Ria branch where that specific location is owned by us."¹⁰⁸ Ria has locations in nearly every state in Mexico,¹⁰⁹ and specifically, there are 137 locations in Veracruz,¹¹⁰ 39 locations in Zacatecas,¹¹¹ 23 locations in Guanajuato,¹¹² 95 locations in Oaxaca,¹¹³ and 5 locations in Sinaloa.¹¹⁴ Ria works with a variety of banks

across the country but, for security purposes, does not release that list of banks. Therefore, a sender must create an account first and then input the bank information to find out whether Ria works with that specific institution¹¹⁵ or they must call a Ria representative or use the "live chat" function to ask a representative what banks are used in the beneficiary's city.¹¹⁶

The amount of time and the cost of transfer will depend on payment method and the payout method. Ria processes funds from the bank in about 4 business days. It processes credit/debit transfers almost immediately. As for payout, cash is ready for pick up at a location, on average, within the same day it is sent. Bank transfers will be ready at a minimum of 4 business days. There is no lag time between receiving the funds and transmitting to Ria's remittance partner for processing.

Ria sets a transfer limit of \$2,999 per 30-day period.¹¹⁷ To send an amount over the limit, a sender will automatically be asked to call the RiaMoneyTransfer.com Customer Service Department (1-877-443-1399) for additional information. The department will ask for a social security number, the source of funds, occupation, and a government-issued identification number based on any federally issued identification card, such as a driver's license or passport.¹¹⁸ Ria has the discretion to allow senders to send more money and therefore reserves the right to decline requests for increased send limits.

Ria has set up different systems to ensure security in the transfer. When a user adds a bank account, for the first time or just an additional one, Ria will first verify the owner of that account.¹¹⁹ Ria will make two small deposits into the user's bank account, showing up as "RiaMoneyTransfer," and the user must follow instructions to verify the amount transferred, following a link in an email he or she will receive.¹²⁰ The amounts will show up in the user's bank statement anywhere between 4 and 72 hours after first setting up the account.¹²¹ If the beneficiary picks up money via

the “cash pickup” option at one of the Ria agent locations in Mexico, he or she will simply need a valid government ID and the PIN number provided to the sender.¹²²

The Ria website features a price calculator that allows users to input the amount and country for transfer.¹²³ The price calculator lists the transfer processing fees Ria charges for debit/credit cards and for bank accounts, but the first transfer is free for new users if they transfer money to Mexico or India within the first 30 days.¹²⁴ Again, there is a minimal processing fee for transfer from a bank account, compared to the fee for using debit/credit cards.¹²⁵ If the beneficiary is picking up the money in U.S. dollars, the sender may only send to an agent location for cash, there is no direct bank transfer option. If the beneficiary picks up the money in pesos, the sender may also send via bank transfer to a direct account.

VI. Other Money Transfer Mechanisms

NEGOTIATED AGREEMENT WITH MEXICAN BANK BANSEFI

In order to address the challenges of transferring money to Mexico-based clients in the context of binational litigation, one option is to utilize a negotiated agreement with a Mexican bank. Centro de los Derechos del Migrante, Inc. (CDM), one of the co-authors of this manual, developed such a mechanism to facilitate the transfer of settlement and other funds from the U.S. to Mexico. Specifically, CDM entered into a Resources Dispersion Contract with the Mexican government-backed bank Banco del Ahorro Nacional y Servicio Financieros (Bansefi) in Mexico City in March 2009 to provide an easy, secure, and economical way to transfer funds to clients in Mexico. Bansefi has pick-up locations throughout Mexico, including in rural areas. This agreement between Bansefi and CDM permits CDM, as a 501(c)(3) nonprofit U.S. corporation (domiciled in Mexico) to contract with Bansefi as a client for the purpose of disbursing funds to third-party beneficiaries. CDM was able to enter into this agreement because it is a legally-registered entity in Mexico. The agreement specifies that the client, corporations, organizations, and governmental units or agencies that need to deliver cash to beneficiaries in Mexico, will deposit funds for disbursement into Bansefi's U.S. bank account and provide Bansefi with beneficiary information for withdrawal of settlement funds. Named beneficiaries must provide an individual pin number and government-issued identification to successfully withdraw funds. CDM has no interest or claim to the funds subject to the agreement.

In 2009, CDM began using the Bansefi agreement to distribute settlement funds to over 450 Mexican

residents awarded funds in class action litigation brought against The Brickman Group, a prominent landscaping company. Since entering into the agreement with Bansefi, CDM has facilitated transfers to hundreds of migrant workers and their family members in many types of cases, from large class actions to individual cases. As of early 2016, CDM had facilitated the transfer of over \$4,277,965.19 USD to workers in Mexico. Recipients can retrieve their funds at any Bansefi location or local community bank with which Bansefi has a relationship in Mexico. CDM receives regular account status updates for settlement funds maintained with Bansefi.

Through this system, counsel in the United States transfer funds to Bansefi's U.S. bank account, and the funds are then immediately transferred to Mexico. The bank holds sums designated for individual recipients. When the recipient appears at any Bansefi or L@ Red de la Gente (community bank) branch with government-issued identification and an assigned individual pin number, the bank pays the sum due to the recipient in cash. Bansefi charges a \$3 service charge per transfer.¹²⁶ Funds transferred through Bansefi are generally available within 3-5 business days. There is no minimum amount required for a transfer.

The Bansefi agreement addresses many of the difficulties that make the transfer of funds to Mexico so challenging. Importantly, this system is specifically designed to ensure compliance with ethical obligations imposed upon attorneys, which are described in more detail below. Under the ABA Model Rules of Professional Conduct, which have been adopted by most states, attorneys are generally able to use the Bansefi mechanism. That said, given that professional rules vary from state to state, attorneys should make their own inquiries into ethical

obligations before using the Bansefi mechanism. For more information about the Bansefi arrangement, please contact CDM at info@cdmigrante.org.

GARCIA-ALVAREZ PAYMENT TRUST AGREEMENT

The Garcia-Alvarez payment trust agreement between the North Carolina Growers' Association, the North Carolina Justice Center, and Banco Azteca is an example of an agreement to establish a trust account in Mexico for purposes of settlement distribution, and was approved by the North Carolina Superior Court. The defendants paid the costs of distributing damages to plaintiffs who were members of one of two classes.¹²⁷ As part of this process, the defendants set up a trust account with a major Mexican bank and were responsible for navigating all related requirements.¹²⁸ The parties ultimately decided upon Banco Azteca, in part because it was accessible to clients throughout rural Mexico.¹²⁹

In the trust agreement, Banco Azteca warranted that it was authorized by the Mexican Ministry of Finance and Public Credit to act "as a multiple banking institution and perform trustee services."¹³⁰ In the terms of the trust agreement, the parties established certain "Permitted Investments" which were appropriate investments in which to hold the settlement money. This determination was based on a variety of factors, including whether the investment was insured by the FDIC, guaranteed by a federal government, or given a rating of AAA or higher by a major Rating Agency (such as Standard and Poor's Rating Services, Moody's Investor Service, or another U.S. nationally recognized rating agency).¹³¹

Class members had to apply for reimbursements from the fund by a set cut-off date.¹³² In order to collect damages, a class member could open an account and send a verification form to Banco Azteca. If the plaintiff chose not to open

an account, the form had to be returned at least two days before expected payment date with a copy of a valid ID. Once a beneficiary sent in all paperwork to Banco Azteca, the bank transferred the award to the recipient's account within two days. For those without accounts, Banco Azteca instructed the paying branch to tender the award amount to the beneficiary on a determined pay date. The beneficiary had to appear at the branch on that day with the valid ID (the copy of which had been sent to the Trustee).¹³³

Overall, the smooth distribution process could serve as a model for similar disbursements. For such initiatives, it is important to have a clear point of contact at the bank to resolve any issues overseas. It is also helpful to think through how best to overcome language differences in all of the paperwork and forms that are exchanged and handled by the parties involved.¹³⁴ For more information, please contact Carol Brooke at the North Carolina Justice Center (carol@ncjustice.org).

THIRD PARTY SETTLEMENT ADMINISTRATORS

Another option for large settlements in class action cases is to use a third-party Settlement Administrator to manage distribution in Mexico. Private settlement administration companies set up the fund, manage the bank account, and handle the tax reporting and filing. They are usually able to process a high volume of transactions. There are fees associated with the service, but advocates can build the settlement agreements so that the defendant pays the fees instead of the class members.

USDOL MONEY TRANSFERS

When the U.S. Department of Labor (USDOL) collects money workers are owed and the workers are back home in Mexico, the same issues of transferring money arise. However, advocates may become involved in the money transfer on behalf of their clients to ensure that the transfer of funds is smooth. The USDOL has used at least the following two mechanisms, which could serve as useful options when working with state-level departments of labor as well.

Wire Transfers. Some regional USDOL offices conduct wire transfers to workers who are back in their countries of origin. Typically, the advocate will send the appropriate DOL forms to the clients for their signature and will then forward the forms to the regional office with all of the specific information about the preferred wire transfer method.

Consular Process. Some regional USDOL offices send funds for clients via a local Mexican consulate. The payment (usually a check drawn from a U.S. bank that has a relationship with Banamex) is sent to the consulate, along with a cover letter and release. The package is then sent via diplomatic pouch to the *Secretaria de Relaciones Exteriores (SRE)* in Mexico City, who may transmit it to the regional SRE Worker Protection office nearest to where the client lives. The local SRE sends a letter to the client to come pick up the payment. The process can take several months, and the client needs to be on the lookout for the SRE letter.

VII. Ethical and Legal Considerations



Practitioners should be mindful of the rules of professional responsibility relating to client funds. When many of the existing rules were written, they did not contemplate transnational workers and cross-border representation. This section of the manual reviews ethical requirements relating to client funds, including IOLTA accounts and maintaining funds out-of-state, and briefly summarizes issues raised by the US PATRIOT Act and Dodd-Frank financial reform law that relate to money transfers.

ETHICAL RULES RELATING TO CLIENT FUNDS

The Model Rules of Professional Conduct lay out the responsibilities of an attorney who is safeguarding client funds. The attorney's responsibilities include the following:

- keeping the funds in a safe account separate from the attorney's own property and marking the property as belonging to the client¹³⁵
- maintaining a complete record of account funds for a certain number of years (five) after the end of representation¹³⁶
- promptly notifying clients or third person with an interest in the funds upon receipt¹³⁷

- promptly delivering funds to clients or third persons¹³⁸
- refraining from distribution of disputed funds¹³⁹
- and keeping funds **in the state** where the lawyer's office is situated unless the client consents to keep money elsewhere¹⁴⁰

It should be noted that where attorneys are charged with a fiduciary responsibility unrelated to their representation on a legal matter, they are generally not subject to the rule established for safekeeping of property.¹⁴¹ That said, attorneys are still subject to state bar rules of misconduct regarding attorney honesty, trustworthiness, and fitness to practice law.¹⁴²

It is clear that the drafters of the Model Rules did not contemplate frequent, complex, cross-border money transfers to clients overseas. Many of the

core requirements laid out above – particularly the requirement regarding where the money is stored – are significantly more complicated when dealing with Mexico-based clients.

Client Trust Accounts

Lawyers who possess a client's property or funds must keep those funds in a trust account that is separate from the lawyer's own property or funds.¹⁴³ Whether an attorney should place a client's money in a regular trust account or an Interest on Lawyers Trust Account ("IOLTA") depends on the amount of money received and how long it is expected to be in the attorney's possession. When an attorney receives a sum for a client that is large enough to generate interest, it is placed in an interest-bearing account so that the client may receive the benefit of any accrued interest. However, when the funds received are small and/or are only expected to be held for a short time and not expected to earn interest, attorneys traditionally hold funds in a non-interest bearing checking account.

IOLTA Accounts

With IOLTA, such funds are pooled in an interest-earning checking account in order to take advantage of the interest earning capability of a large sum.¹⁴⁴ Because it is the collected funds that are earning interest rather than one client's small amount, there is no way to determine which client gets what portion of the interest. Instead, the interest that accrues is channeled into state IOLTA programs.¹⁴⁵ States then use the funds to support legal services for low-income persons and other community education efforts.¹⁴⁶ Most programs are mandatory. Some IOLTA requirements may complicate international money transfers. Attorneys should consult their particular state IOLTA program for details.

Client Trust Accounts and Money Transfers

Each State has specific rules as to the handling of client trust accounts and a lawyer's ability to transfer or disperse funds from them. For example, in Wisconsin, cash cannot be disbursed from a trust account; a check cannot be made out to cash; and a credit or debit card cannot be linked to a trust account.¹⁴⁷ Deposits to or disbursements from a client trust account cannot be made over the Internet.¹⁴⁸ However, a wire transfer may be made over the phone.¹⁴⁹ Wisconsin record-keeping requirements specify that wire transfers must be documented with a withdrawal authorization form or other documentation (such as a bank statement) showing the date of transfer, payee, and amount.¹⁵⁰ These restrictions all raise concerns regarding the money transfer options presented in this manual. Conversely, in Virginia, there are no restrictions for cash disbursement from trust accounts.¹⁵¹ Virginia requires that lawyers promptly pay or deliver money owed to clients and that they maintain cash receipts and disbursement journals for each trust account.¹⁵² The journals must specifically state the manner the trust funds were received and later disbursed or transferred from the trust account.¹⁵³ These records must be preserved for at least 5 years after the end of representation.¹⁵⁴

Again, advocates need to review their state rules relevant to funds distribution. In states that allow for bank or wire transfers of funds with the client's consent, advocates may want to consider adding such a provision to their representation agreements.

Reporting and Recordkeeping Requirements and Foreign Banks

Most states impose reporting and/or record-keeping requirements on the attorney, as well as the financial institution, for client trust accounts. For example, Wisconsin's record-keeping requirements mandate that account records include: a transaction register; individual client ledgers for IOLTA or other pooled accounts; deposit records; disbursement records; and reconciliation reports.¹⁵⁵ In Georgia, the reporting requirements state that the financial institution must report to the State Bar of Georgia whenever an account has insufficient funds and a properly payable instrument is presented and not honored. Therefore, if the bank will not agree to these requirements, it should not be used for a trust account regardless of whether an attorney's account is ever over-drafted or the bank refuses to honor an instrument; the bank must agree to the reporting requirements. For Georgia IOLTA accounts (for nominal amounts and/or funds held for a short period of time), the attorney must direct the financial institution to submit an account statement to the State Bar similar to a statement that would be received on an account held by a non-attorney customer (containing the average monthly balance, interest rate, etc.).¹⁵⁶ California requires maintenance of records which include the date, amount, and source of all funds received for the client; the date, amount and payee of each disbursement; and the current balance for each client. The attorney must retain bank statements and cancelled checks for a period of five years.¹⁵⁷ New York imposes similar standards, with a seven-year requirement for retaining records by the attorney.¹⁵⁸

WIRE TRANSFERS

Most commercial money wiring services are set up to serve individuals who are sending cash or using some kind of credit card to send money via a website or the phone. A service like Western Union, in which a transfer from the sender's bank account is usually not an option, poses ethical difficulties for advocates. Most state ethics rules require clear reporting of where the money is going. Linking a debit card to a trust account, even just for the purpose of wiring money, may be too insecure and difficult to match a transaction to a client to pass muster under state ethics rules. Indeed, some states explicitly prohibit that practice, stating that they are not an acceptable means to access trust account funds.¹⁵⁹ In California, attorneys are advised to "always pay out money from your client trust bank account by using a check, a wire transfer or another instrument that specifies who is getting the money and who is paying it out."¹⁶⁰

OUT-OF-STATE TRUST ACCOUNTS

Some U.S. lawyers have partnered with Mexican banks for the purpose of distributing funds to clients in Mexico, including moving client money into a trust account that is located out of the state in which they practice law. In structuring such arrangements, lawyers must consider their state's rule regarding the in-state maintenance of client funds. Below is a description of these rules in several states.

In California, the rule is essentially the same as the ABA Model Rule, requiring the maintenance of the account in-state, with the additional option of maintaining the funds "in any other jurisdiction where there is a substantial relationship between the client or the client's business, and the other jurisdiction" as long as the client provides written consent.¹⁶¹ Thus, if it is more convenient for the

client to have funds in a trust account outside of California, a lawyer in California just has to obtain the client's written permission.¹⁶² The California state bar association publishes a "Handbook on Client Trust Accounting" recommending that the trust account be placed in a bank that is financially stable, carries federal deposit insurance, and is regulated by a federal or state agency.¹⁶³ Similarly, in Georgia, the rule is that the bank holding the trust account should either be in Georgia, in the state where the lawyer's office is located, or elsewhere with the client's permission.¹⁶⁴ However, the trust account must be held at a pre-approved bank.¹⁶⁵

In states that permit the location of trust accounts out-of-state with a client's consent, such as Georgia and California, there are more options for advocates who wish to establish trust accounts outside the state in order to facilitate settlement distribution. However, in other states such as New York and Wisconsin, rules create barriers to establishing out-of-state trust accounts that will likely be difficult to overcome if an advocate wants to set up a trust account outside of the United States.

New York requires the account to be maintained in-state; an exception can be made if the out-of-state institution complies with regulation pertaining to dishonored checks¹⁶⁶ and the lawyer has obtained prior written consent of the client.¹⁶⁷ It may be difficult to find a foreign bank that is willing to comply with the applicable state regulation. In Wisconsin, a trust account must be maintained at a bank that is licensed to do business in Wisconsin, or with a bank that has a branch office in Wisconsin and agrees to comply with other trust account requirements.¹⁶⁸ Wisconsin does not explicitly provide the option to locate the account outside the state even with client consent. While there is no mention of locating an account out-of-state with the client's consent, the fact that the bank is required to be licensed or have a branch in Wisconsin will eliminate the use of many foreign banks.

Thus, state rules may impact decisions about how to efficiently distribute settlement funds. In states that allow for locating funds out-of-state with the client's consent, advocates may consider adding such a provision to their retainers if it is conceivable that settlement disbursement will be an issue. In a class action, obtaining the consent of the class representatives may suffice as permission to locate the trust account out of the state.

Problems may also arise in negotiating with the foreign bank to follow the IOLTA or other trust account reporting requirements imposed by state bars. Even if the bank does agree, the problem remains of how to ensure that these requirements are enforced. Additionally, attorneys have a fiduciary duty to place client funds in an FDIC or otherwise insured account, which may become an issue when setting up a trust in a foreign bank

The Federal Deposit Insurance Corporation and Foreign Banks

The Federal Deposit Insurance Corporation (FDIC) preserves consumer confidence by insuring deposits in U.S. banks and institutions for up to \$250,000 per account. An attorney could be accused of failure to act with a high standard of care if she deposits in an uninsured bank that fails before the client receives his or her funds. The FDIC does not insure branches of foreign banks that do business outside of the United States.

State attorney rules may require an attorney to only deposit money in a bank that is FDIC insured. For example, Georgia requires that the bank be "federally insured" and Wisconsin requires that the bank be insured by either the FDIC or with another form of financial institution guarantee insurance.¹⁶⁹ Although the California rules also do not specifically require the use of an FDIC insured bank, the "Client Trust Account Manual," published by the California Bar Association, advises

attorneys to use an FDIC insured institution in order to adequately fulfill their fiduciary duty to act with a high standard of care in managing a client's money.¹⁷⁰ In New York, the rules do not state that the institution must be FDIC insured, but an attorney who does not use an FDIC insured institution may still run up against ethical problems if, for example, he has chosen an uninsured bank which suffers a loss of liquidity and the client loses the funds held in trust at the bank.¹⁷¹

SEEKING CLARIFICATION FROM STATE BAR COUNSEL

Given that many state ethics rules do not offer specific guidance on the matters addressed herein, advocates may wish to consult with their State's bar counsel to determine whether a particular course of action falls within the state's rules. Another option is to seek an advisory opinion to clarify whether a certain disbursement mechanism is appropriate.

For example, the North Carolina Justice Center conferred with the North Carolina State Bar Association, and received clearance for wiring money to clients through a local Latino Credit Union.¹⁷² The Justice Center maintains a non-trust checking account at the Credit Union; a check is cut from the regular trust account, made out to the Credit Union. Once the funds are deposited, they are immediately wired to the client, so the money is in the non-trust account only long enough for the check to clear and the funds to go out. The Credit Union has used various money-transfer mechanisms, including Vigo (akin to Xoom), and Directo a Mexico, the government-sponsored service described above. Before this process takes place, the client signs an authorization form for this transaction, which also authorizes the fee for the transfer to be taken from the amount to be wired. In order to fulfill the obligation to ensure that the clients do receive the funds, the Justice Center

asks that the client sign and return a form confirming the receipt of the funds. The client is reminded about the form during a call in which he or she is provided with the code to pick up the funds. One minor bookkeeping issue is that the funds need to be transferred in whole dollar amounts, which require rounding up in some instances.

FEDERAL LAWS

USA Patriot Act

The USA Patriot Act, enacted in 2001, may also have implications for advocates transferring money to clients abroad. Most commercial money wiring services impose caps on the number of transactions that can be completed in a period of time and on the amount of money that can be sent at once or in a given timeframe. Many of these requirements are related to the USA Patriot Act's anti-money laundering regulations and apply to all "money services businesses."¹⁷³ Businesses implement these regulations differently and some are more conservative than others.¹⁷⁴ The USA Patriot Act requires all money services businesses to implement an anti-money laundering program that is "commensurate with the risks posed by the location and size of, and the nature and volume of the financial services provided by, the money services business."¹⁷⁵ Thus, the limit is likely to change depending on where the money transfer is being sent and where it originates. Advocates should be aware of these provisions because they may affect commercial services used to send money to clients abroad.

Under the USA Patriot Act, the Secretary of the Treasury may impose additional reporting and record keeping requirements on a bank if it determines that a particular jurisdiction or financial institution outside the U.S., or a transaction or class of transactions within or involving a jurisdiction outside the U.S., is of "primary money laundering concern."¹⁷⁶ A jurisdiction, institution, and type of account or transaction can be deemed

to be of “primary money laundering concern” based on various institutional and jurisdictional factors, including, for example, evidence of organized crime, substance and quality of banking and counter-money laundering law enforcement in the jurisdiction, and the level of institutional or official corruption.¹⁷⁷ Other factors include the extent to which financial institutions or types of accounts are used to facilitate or promote money laundering or whether the type of institution, transaction, or account is used for legitimate business purposes.¹⁷⁸ All of the anti-money laundering provisions of the USA Patriot Act can be found in Title III of the law. Even though these restrictions are imposed on financial institutions, rather than consumers, advocates should be aware of the USA Patriot Act and the context for restrictions banks impose on transacting with banks abroad.

The law itself does not specify a dollar amount or exact indicators that necessarily raise a red flag for the types of transactions. However, there are specific procedures in place to track currency transfers over \$10,000.

Currency Transaction Reports

Congress passed the Bank Secrecy Act (BSA) in 1970 “to prevent the use of cash payrolls for tax evasion and to provide tools to fight organized crime.”¹⁷⁹ In 2002, the USA Patriot Act expanded the reach of the BSA to reach international terrorist networks.¹⁸⁰

With this backdrop, banking regulations mandate that all financial institutions file a Currency Transaction Report (CTR) for any transactions, including wire transfers, of more than \$10,000.¹⁸¹ A completed report must be filed with the Financial Crimes Enforcement Network (FinCEN), a sub-agency of the U.S. Department of Treasury, within 15 days of the transaction.¹⁸² The bank must retain copies of the report for five years.¹⁸³ The purpose of the report is to

ensure that a paper trail exists in the event of a suspicious transaction. The simple transfer of an amount over \$10,000 and necessary reporting of the CTR, however, is not in and of itself suspicious.

Many factors have the potential to indicate suspicion and most banks have a system in place to filter the information on CTRs to “significantly enhance a bank’s ability to identify and evaluate unusual currency transactions.”¹⁸⁴ One of the filters that banks may run, for example, is to track currency activity involving multiple lower dollar transactions that over a period of time may “aggregate to a substantial sum of money (e.g., \$30,000).”¹⁸⁵ Banks are directed to take immediate action in situations involving suspicious activity, including notifying appropriate law enforcement agencies.¹⁸⁶

There are also now established procedures for information sharing to deter money laundering and terrorist activity.¹⁸⁷ Since 2010, regulations allow state, local, and certain foreign law enforcement agencies investigating terrorist activity or money laundering to request that FinCEN solicit information from a bank pertaining to an individual and any suspicious transfers.¹⁸⁸ By all accounts, the CTR is not automatically given to anyone other than FinCEN, and FinCEN does not automatically share the report with other agencies.¹⁸⁹ Indeed, the regulations specify that any agency requesting information must provide a written certification to FinCEN attesting that there is credible evidence of engagement or reasonably suspected engagement in terrorist activity or money laundering for each individual, entity, or organization about which the law enforcement agency is seeking information.¹⁹⁰ Upon receiving this certification, FinCEN may require a bank to search its records to determine whether it maintains or has maintained accounts for, or has engaged in transactions with, any specified individual, entity, or organization.¹⁹¹

Because this area of the law is relatively new and no exhaustive studies have been published,

advocates should talk to their financial institutions about their BSA and USA Patriot Act compliance protocol and proceed accordingly.

Financial Reform: The Dodd-Frank Act

The Dodd-Frank Act imposes additional legal requirements relating to remittance transfers. Specifically, Section 1073 of Dodd-Frank amends an existing law, the Electronic Funds Transfer Act, by adding a new section to that Act (Section 919) entitled “Remittance Transfers.”¹⁹² The amended law requires the Federal Reserve Board to prescribe disclosure rules for *remittance providers*.

Specifically, these entities must disclose to senders the amount the recipient will actually receive; the total amount of all fees charged; and the exchange rate to be used.¹⁹³ Once payment is made, the provider must offer a receipt with the promised date of delivery, the recipient’s and the remittance provider’s contact information, and information about how to resolve any conflicts in the error resolution process.¹⁹⁴ These required disclosures must be made in English and in each foreign language principally used by the provider to market its services.¹⁹⁵

Remittance providers are held liable for violations committed by agents who are acting on their behalf.¹⁹⁶ Dodd-Frank amended the error resolution process by adding special procedures and remedies specifically for remittance transactions.¹⁹⁷

U.S. Tax Issues

In the U.S., outside of personal injury lawsuits, almost all funds recovered through a settlement are considered income.¹⁹⁸ Taxation under U.S. law depends on what the particular damages are. In most cases, lost wages or back pay

are taxable.¹⁹⁹ If a lawsuit arises because of employment-related issues, like lost wages, the taxpayer can only exclude any money he or she spent on medical costs or emotional distress from taxable income.²⁰⁰ Lawyers must be cautious regarding the money they plan on sending to clients in Mexico, taking into account the client’s past history in the U.S.

Non-resident immigrants must pay taxes for the work they perform in the U.S. during the fiscal year.²⁰¹ One exception to this rule is the treatment that H-2A workers receive: employers are not required to withhold federal tax from compensation paid to these agricultural workers.²⁰² Otherwise, non-resident immigrants, if present in the U.S. for a certain amount of time, must file taxes, even if they have left the country.²⁰³ Again, the general rule is that back pay or lost wages are considered taxable income and advocates must seek further aid from tax experts to figure out how the tax will be deducted before sending money to their clients in Mexico.²⁰⁴

Mexican Tax Law Issues

Tax law in Mexico depends on several factors, including whether the taxpayer is a resident of Mexico or not.²⁰⁵ As a general matter, Mexican residents are subject to income tax for any income they have worldwide.²⁰⁶ The tax reform in 2014, among other things, increased individuals’ tax base and tax rates from 30% to 35%.²⁰⁷ Advocates should contact tax experts in Mexico to see how the 2014 Mexican tax reform affects money sent to clients in Mexico (if at all). The Ministry of Finance and Public Credit (SHCP) issues regulations to the federal tax law.²⁰⁸ However, it is the federal government that mainly enforces tax laws in Mexico.²⁰⁹ The Constitution grants Congress exclusive rights in most taxation areas.²¹⁰ The states also have taxing powers, but they are limited by the Constitution.²¹¹ Mexico also has a tax court system where people can challenge the

legality of a tax or ask for clarification of the tax interpretation. Definitions and procedures for tax law are in the Federal Fiscal Code (FFC).²¹²

The concept of income is very broad in Mexico and “includes all items of income, such as fees, salaries, dividends, interest, and benefits in kind.”²¹³ However, individuals in Mexico are not subject to tax on the following items: indemnities received for health and workmen’s compensation.²¹⁴ Additionally, under the U.S.-Mexico Tax Treaty, Mexican residents are allowed a tax credit against their Mexican income tax for any *foreign* income taxes imposed on their foreign-source income.²¹⁵ However, this credit does not apply for income that is exempt from Mexican taxation already. Whether the money an attorney sends to a client in Mexico falls under an exemption or is part of a foreign tax credit is a matter of discretion and should be discussed with a Mexican tax expert.

In summary, it is worth the time for advocates to speak with tax experts on the implications of their actions in the U.S. and Mexico and proceed accordingly.

ENDNOTES

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- 2 See CORREOS DE MÉXICO, Recepción (Receipt), <http://www.correosdemexico.com.mx/ServiciosAdicionales/Paginas/Recepcion.aspx> (last visited Feb. 18, 2016) (identifying various uses for a cartilla postal, including the ability to cash a money order).
- 3 See id.
- 4 Id.
- 5 Id.
- 6 See, e.g., CIUDAD DE MÉXICO, SECRETARÍA DE MOVILIDAD, Licencia de conducir tipo A y su Reposición (License to drive Type A and replacements), http://www.semovi.cdmx.gob.mx/wb/stv/licencia_de_conducir_tipo_a_con_vigencia_de_tres_a.html (last visited Feb. 18, 2016) (describing the requirements to apply for a driver's license in Mexico City).
- 7 See, e.g., SAN LUIS POTOSÍ, REGISTRO ÚNICO DE TRAMITE Y SERVICIOS, Licencia de conducir para automovilista y servicio particular (License to drive a vehicle and particular service), http://rutys.slp.gob.mx/consulta.php?no_trami=141 (last visited Feb. 18, 2016) (describing the requirements associated with obtaining a driver's license in the Mexican state of San Luis Potosí).
- 8 See generally INSTITUTO NACIONAL ELECTORAL, Credencial Para Votar (Credentials to Vote), <http://www.ine.mx/archivos2/portal/credencial/> (last visited Feb. 18, 2016).
- 9 See Nayeli Cortés, IFE mejorará credenciales tras 3 de julio, EL UNIVERSAL (Mar. 23, 2012), <http://redpolitica.mx/ruta-electoral/ife-mejorara-credenciales-pasada-la-eleccion>.
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- 14 THE WORLD BANK, Improving Access to Financial Services in Mexico, <http://go.worldbank.org/9OLB2WPVW0> (last updated Apr. 2006) (last visited Feb. 18, 2016).
- 15 Id.
- 16 MEXPERIENCE, Banks and Banking Services in Mexico, <http://www.mexperience.com/living/banks-in-mexico.php> (last visited Feb. 18, 2016).
- 17 BANAMEX, <https://www.banamex.com/en/> (last visited Oct. 16, 2015).
- 18 BBVA BANCOMER, <https://www.bancomer.com/> (last visited Oct. 16, 2015).
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- 20 BANSEFI, <http://www.bansefi.gob.mx/Pages/Inicio.aspx> (last visited Oct. 14, 2015).
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- 23 An alternative method with lower fees and administrative costs is generally preferable in sending funds to a group of clients in Mexico.
24. See DIRECTO A MEXICO, About Directo a Mexico, <http://directoamexico.com> (last visited Sept. 21, 2015).
25. See DIRECTO A MEXICO, Institutions Enrolled in Directo a Mexico, <http://directoamexico.com> (last visited Sept. 21, 2015).
26. See DIRECTO A MEXICO, How to Make a Payment to a Bank Account?, <http://directoamexico.com> (last visited Sept. 21, 2015).
- 27 See id.
- 28 See DIRECTO A MEXICO, How to Make a Payment to be Claimed at the Post Office?, <http://directoamexico.com> (last visited Sept. 21, 2015).
- 29 Id.
- 30 See generally WELLS FARGO, Global Remittance Services Express-Send, https://www.wellsfargo.com/per/intl_remittance/ (last visited Sept. 21, 2015).
- 31 See WELLS FARGO, ExpressSend Service to Mexico, https://www.wellsfargo.com/per/intl_remittance/mexico (last visited Sept. 21, 2015).
- 32 Id.
- 33 See WELLS FARGO, ExpressSend International Remittance Transfers Questions, <https://www.wellsfargo.com/help/faqs/international-remittances> (last visited Sept. 22, 2015).
- 34 See WELLS FARGO, ExpressSend Remittance Cost Estimator, <https://www.wellsfargo.com/international-remittances/cost-estimator>.
- 35 See WELLS FARGO, ExpressSend Service to Mexico, Fees and Exchange Rates, <https://www.wellsfargo.com/international-remittances/mexico> (last visited Sept. 22, 2015).
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- 39 See U.S. POSTAL SERVICE, International Mail Manual, Undeliverable Mail (Section 770), http://pe.usps.com/text/imm/imm7_024.htm, (last visited Feb. 18, 2016).
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- 41 See generally FEDEX, <http://www.fedex.com/mx/> (last visited Feb. 18, 2016). As of February 2016, the authors have been unable to confirm any limitations.
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- 43 Id.
- 44 Id.
- 45 Id.
- 46 Id.
- 47 Telephone Interview with DHL Customer Serv. Representative (Feb. 29, 2016).
- 48 See DHL, Shipping Advice from Express Delivery Experts, http://www.dhl.com/mx/en/express/shipping/shipping_advice.html, (last visited Feb. 18, 2016).
49. Telephone Interview with DHL Customer Serv. Representative (Feb. 29, 2016).
50. Telephone Interview with Estafeta Customer Serv. Representative (Feb. 29, 2016).
- 51 Interviews with Santander, Scotiabank, and HSBC Customer Serv. Representatives (March 2016).
52. Interview with Banamex Customer Serv. Representative (March 2016).
- 53 Interview with Bancomer Customer Serv. Representative (March 2016).
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- 58 See generally TRANSFER BANAMEX, <http://www.banamex.com/transfer/index.html> (last visited Oct. 30, 2015); TRANSFER INBURSA, <https://www.transferinbursa.com/sc-inbursa-mps/signin> (last visited Oct. 30, 2015); TELCEL, Transfer, <http://www.telcel.com/personas/servicios/otros/transfer#> (last visited Oct. 30, 2015).
- 59 The website allows a search by agent or specific country location. See WESTERN UNION, <http://www.westernunion.com> (last visited Sept. 22, 2015); see also WESTERN UNION, About Us, http://corporate.westernunion.com/About_Us.html (last visited Sept. 22, 2015).
- 60 See WESTERN UNION, Sending Money Options, <https://www.westernunion.com/us/en/send-money/start.html> (last visited Sept. 22, 2015).
- 61 For example, to wire \$100 from Washington, D.C. to be picked up in cash in Mexico, the fee is \$8 for same-day service. To send \$1,000 from California to Mexico, the fee would be about \$8 for same-day service. Telephone Inquiry, Western Union Branch, Washington, D.C. (Sept. 23, 2015).
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- 63 Telephone Inquiry, Western Union Branch, Washington, D.C. (Sept. 23, 2015).
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- 69 Telephone Inquiry, Western Union Central Office (Sept. 23, 2015); see also WESTERN UNION, Frequently Asked Questions: Will I be charged a fee to open or hold an account with Online FX?, <http://onlinefx.westernunion.com/FAQ> (last visited Sept. 30, 2015).
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71. Id.; see also WESTERN UNION, Fees & Delivery Methods, <http://onlinefx.westernunion.com/Fees> (last visited Sept. 30, 2015).
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- 73 See WESTERN UNION, Frequently Asked Questions: As an individual, what sort of documentation may I have to submit to complete my profile and activate my account?, <http://onlinefx.westernunion.com/FAQ> (last visited Sept. 30, 2015).
- 74 See WESTERN UNION, Frequently Asked Questions: As a business, what sort of documentation may I have to submit to complete my profile and activate my account?, <http://onlinefx.westernunion.com/FAQ> (last visited Sept. 30, 2015).
- 75 See generally XOOM, About Xoom, A Paypal Service, <https://www.xoom.com/about> (last visited Sept. 22, 2015).
- 76 See XOOM, Help Center, How do I pay for a Xoom transaction?, <https://www.xoom.com/help/how-do-i-pay-for-a-xoom-transaction> (last visited Sept. 23, 2015).
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- 79 See id.
- 80 XOOM, Help Center, What are the Cash Pickup requirements in Mexico?, <https://www.xoom.com/help/what-are-the-cash-pickup-requirements-in-mexico> (last visited Sept. 22, 2015).
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82. XOOM, Fees and Exchange Rates (Mexico), <https://www.xoom.com/money-transfer-fees?receiveCountryCode=MX> (last visited Sept. 22, 2015).
83. Id.
- 84 Id.
- 85 See XOOM, Help Center, How much money can I send from Xoom?, <https://www.xoom.com/sendmoneynow/help/how-much-money-can-i-send-from-xoom> (last visited Sept. 22, 2015) (showing that later on a sender can send up to \$25,000 in a 30-day period and \$60,000 in a 180-day period by providing additional information).
- 86 Click "View Table" at the top of the page. See id.
- 87 See XOOM, Help Center, How much money can be received from Xoom customers?, <https://www.xoom.com/help/how-much-money-can-be-received-from-xoom-customers> (last visited Sept. 22, 2015).
- 88 Telephone Interview with MoneyGram Customer Serv. Representative (Sept. 30, 2015).
- 89 Id.
- 90 See MONEYGRAM, Frequently Asked Questions, Sending Money, <https://secure.moneygram.com/more/faq> (last visited Sept. 23, 2015).
- 91 To confirm transaction fees, click on the "Estimate fees" link at the top of the MoneyGram website. See MONEYGRAM, <https://secure.moneygram.com> (last visited Sept. 30, 2015).
- 92 To calculate the specific fees based on the amount and delivery method, visit the MoneyGram home page, click on "Send Online," and insert the appropriate information. See MONEYGRAM, <https://secure.moneygram.com> (last visited Sept. 22, 2015).
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- 104 See RIA MONEY TRANSFER, Ria Money Transfer Legal Compliance Department, <https://www.riamoneytransfer.com/about-ria/compliance-guarantee> (last visited Sept. 23, 2015).
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- 111 Id.
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- 115 See RIA MONEY TRANSFER, Register for a Free Account, <https://www.riamoneytransfer.com/register> (last visited Oct. 23, 2015).
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