

Let's Talk Finances

Safely Using Money Transfer Services



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Millions of people today use mobile devices to manage their finances, and for many of them, person-to-person payment services (Popmoney, Zelle, Venmo, and others) have become part of everyday life. These websites and apps let you send money to individuals without having to write a check, swipe a card, or hand them cash. These services are becoming increasingly popular for things like dividing the cost of rent with a roommate or splitting the bills when dining out or traveling.

With the development of new payment methods, there are also new risks, so here are a few tips to keep in mind when using these services and apps:

Have your friend send you a request for payment first. If you're sending money to someone for the first time, ask that they send a "request" from their app, if possible. This helps ensure that you're sending funds in the right amount to the right person. If the payment app does not have a request for payment function, consider sending a small, test payment to the recipient to confirm it is the right person before sending larger amounts.

Double-check before you press that send button. A simple typo can send money to the wrong person or in the wrong amount. Always double-check the numbers you entered and the person you selected to pay. Most payment apps require a username, phone number, or email address to identify payment recipients. Ask the recipient to be sure he or she is registered in the app with the information you intend to use to send them money. You can sometimes "stop payment" with written checks, dispute a credit card charge, or cancel a bill payment, but mobile payment services generally don't have a recall or retrieval feature. For these reasons, it's important to be certain you want to make a payment via transfer, then verify how much and to whom before pressing send.

Know when to expect to receive transferred money or when it should leave your account. You may have to wait to spend money you receive in a transfer. Even if the money appears to be in your balance instantly, you may not be able to spend the money as quickly as it shows up, so be sure to read the disclosures to find out how much time is required to complete the transaction. When you send money via mobile apps, most payments get deducted from your bank balance immediately.

In conclusion, these services offer a quick, convenient way to make payments to people you know without needing to have cash on hand. By paying attention to the details of your transaction, you can ensure these payments safely arrive at their destination.