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NEWS

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MoneyGram Settlement Consumer FAQ

- **What is this settlement about?**

This settlement resolves the Participating States' Attorneys General investigation of MoneyGram's Money Transfer services. In particular, the States reviewed complaints of consumers who used MoneyGram's wire transfer service to send money to third parties who were involved in schemes to defraud consumers and also reviewed MoneyGram's efforts to maintain effective anti-fraud measures to prevent consumers from suffering financial losses as a result of these fraud induced money transfers.

- **What are some examples of fraud induced money transfers?**

- Grandparent scheme – a fraudster calls a grandparent claiming that money is urgently needed and must be wired to assist with a grandchild's emergency (e.g. emergency medical assistance, travel money or bail money)
- Foreign lottery – a fraudster tells the consumer that she has won a lottery or contest but must wire money to cover "fee" "taxes" or other charges
- Romance scam – a fraudster creates a fake online profile using someone else's picture – sometimes even using stolen pictures of real military personnel. Once they make contact with a prospective victim, they quickly profess love and proceed to ask that money be wired to them – because their wallet was stolen or they have some other heart tugging emergency.
- Employment and business opportunity scams – scammers offer work at home opportunities, such as mystery shoppers, but require that the consumer first wire money to them.

- **What are the terms of the settlement?**

MoneyGram has entered into a binding settlement in which they will pay a total of \$ 13 million dollars. The settlement has two main parts. First, restitution payments will be made available to identified consumers who previously filed complaints with MoneyGram related to fraud induced money transfers and have not already received payment. Second, MoneyGram has agreed to maintain and continue to improve a comprehensive and robust anti-fraud compliance program designed to prevent its systems

from being used for fraud. MoneyGram also agreed to improve/continue its anti-fraud program, provide more warnings to consumers, and improve agent trainings.

- **Am I eligible to receive restitution?**

The settlement provides for an independent third party settlement administrator Kurtzman Carson Consultants (“KCC”) to review MoneyGram records and send notices to all consumers who are eligible to receive restitution under this settlement.

- **Generally, which consumers will receive restitution under this settlement?**

- You, as a consumer MAY be eligible to receive restitution under the settlement if
 - you (or someone acting on your behalf) previously filed a complaint with MoneyGram about a transaction which involved a fraud induced wire transfer **AND**
 - the money transfer was sent by you through a MoneyGram agent based in the United States to a payee located in a foreign country (other than Canada) between July 1, 2008 and August 31, 2009.

- **What happens next?**

If you are determined to be eligible for restitution under the settlement, the settlement administrator will send you a notice in the mail together with instructions.

- **How much money will I get? Will I get a full refund?**

Yes, we anticipate you will receive a full refund based on the transfer amounts provided by you in your complaint to MoneyGram. However, depending on the number of claims filed and the total dollars claimed, it may be necessary to provide you with a pro-rated amount.

- **What if I have moved or no longer use the mailing address that I had back when I filed my complaint or sent the fraud induced money transfer(s)?**

If you have moved or did not use your current mailing address when you sent the fraud induced money transfers, contact KCC at 888-566-1411 or info@moneygramsettlement.com.

- **When will I be contacted?**

Our best estimate is that the Settlement Administrator will be contacting eligible consumers before June 1, 2016.

- **How can I obtain more information about this settlement?**

- You can go to the Settlement Administrator’s website www.MoneyGramSettlement.com for more details and also to read a copy of the settlement and obtain related information.
- You may also call 888-566-1411 for general information.
- Or contact your state attorney general – link to State press release.

- **What do I do if I think I or someone I know was a victim of wire transfer fraud?**
You can file a complaint with the wire transfer company or with your state's attorney general.

Also, if you are concerned a member of your family is a victim of fraud, you can also contact MoneyGram and other wire transfers companies to request that your family member be placed on an Internal Watch List. Internal Watch List means MoneyGram's list of individuals whom the Company blocks from sending or receiving Money Transfers, without first contacting the individual to determine if the transaction is for a legitimate purpose.

Requests for placement on MoneyGram's Internal Watch List may be directed to Escalation_Issues@moneygram.com

- **What states are participating in the settlement?**
The District of Columbia and all states except California joined in the settlement. California consumers, however, are eligible to receive restitution.
- **Why is restitution limited to consumers who sent transfers from the United States to foreign countries other than Canada?**
Consumers who filed complaints regarding U.S. to U.S. and U.S. to Canada wire transfers received their restitution through prior settlements between MoneyGram and the Federal Trade Commission and the U.S. Department of Justice.
- **What will I need to provide to the Settlement Administrator?**
You will receive instructions from the Settlement Administrator.

Please be aware that neither the Settlement Administrator nor any of the States involved in this settlement will be contacting you asking for payment or asking for your financial personal information. If anyone calls you or contacts you asking for payment or your personal information, do not provide it and report what has happened to your attorney general.