



January 31, 2017

MADIGAN ANNOUNCES \$5 MILLION SETTLEMENT WITH WESTERN UNION

Attorneys General Resolve Investigation into Western Union's Wire Transfer Service & Require New Anti-Fraud Program to Protect Consumers

Chicago — Attorney General Lisa Madigan today announced a \$5 million settlement with The Western Union Company (Western Union) over a multistate investigation into its wire transfer service that led consumers across the country to wire money to con artists.

The settlement resolves an investigation by Madigan and 49 other state attorneys general into the Colorado-based Western Union after receiving complaints from consumers who used the company to wire money to scam artists seeking to defraud consumers.

In addition to this settlement, Western Union previously settled claims related to fraud-induced transfers with the Federal Trade Commission and U.S. Department of Justice. As part of those related settlements, Western Union agreed to pay \$586 million to a fund that the Department of Justice will administer to provide refunds to victims of fraud-induced wire transfers nationwide. Of the \$586 million, it is estimated that as much as \$20 million could go to fraud victims in Illinois. Information about refund eligibility and the application process will be made available by the Department of Justice at www.justice.gov/criminal-mlars/remission. Illinois will also receive nearly \$240,000 under today's settlement.

"Far too many people have fallen prey to con artists then lost thousands of dollars wired through Western Union," Madigan said. "Do not respond to requests to wire money upfront in order to claim a foreign lottery prize, pay bail for your grandchild or overdue taxes to the IRS. These solicitations are a red flag to contact my office, your relatives or a government agency directly if you have any belief that the claim is legitimate."

The settlement requires Western Union to establish a comprehensive anti-fraud program designed to help detect and prevent money from being wired by consumers to scam artists.

That anti-fraud program, which Western Union has agreed to evaluate and update as warranted, must include:

- Anti-fraud warnings on forms that consumers use to wire money;
- Mandatory and appropriate training and education for Western Union's agents about fraud-induced wire transfers;
- Heightened anti-fraud procedures when warranted by circumstances such as increased fraud complaints;
- Due diligence checks on Western Union agents who process money transfers;
- Monitoring of Western Union agent activity related to prevention of fraud-induced money transfers; and
- Prompt and appropriate disciplinary action against Western Union agents who fail to follow required protocols concerning anti-fraud measures.

Joining Madigan in today's settlement were attorneys general from the following states: Alabama, Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming and the District of Columbia. Bureau Chief Elizabeth Blackston and Assistant Attorney General Yangsu Kim handled the case for Madigan's Consumer Fraud Division.

[Return to January 2017 Press Releases](#)

