

January 24, 2019

**DELIVERED VIA EMAIL AND CERTIFIED MAIL**

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**Re: MoneyGram's Discriminatory Denials of Money Transfers**

Mr. Holmes,

Muslim Advocates, a national civil rights and legal advocacy organization, and the Yemeni American Merchants Association (“YAMA”), a New York-based organization that seeks to support the growth and development of Yemeni-American merchants and their families, write to express our deep concerns about MoneyGram International, Inc.’s (“MoneyGram”) discriminatory conduct. Over the last several months, our organizations have been contacted by a number of individuals from across the country who have been prevented from using MoneyGram’s wire transfer services to send money orders to family members residing in countries with predominantly Muslim populations. There is no justification for MoneyGram’s actions, since neither the senders nor the recipients are involved in any fraudulent or unlawful activity. To the contrary, many of the impacted individuals have used MoneyGram to send money orders to their loved ones for years without incident. Yet all of a sudden, MoneyGram has stopped processing these transactions.

Targeting people because of their ethnicity, national origin, and/or religion is wrong and unjust. It is also in direct contravention of a number of federal and state antidiscrimination laws. MoneyGram must take immediate steps to rectify this distressing situation.

**I. MoneyGram’s Pattern of Denying Money Transfers to Individuals Residing in Countries with Predominantly Muslim Populations**

MoneyGram is one of the world’s leading global money transfer and payment services companies. As the company has explained, it “provide[s] consumers with affordable, reliable and fast ways to transfer money to family, friends and loved ones around the world.”<sup>1</sup> MoneyGram’s services are essential to countless individuals all over the world; there are more than two billion people across the globe who have limited or no access to a bank account and therefore rely on

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<sup>1</sup> *Products and Services*, MoneyGram, <http://corporate.moneygram.com/products-and-services> (last visited Dec. 19, 2018).

services provided by companies like MoneyGram in order to engage in financial services, including sending and/or receiving money.

MoneyGram has the right—and, in fact, the obligation—to ensure that its services are not being used to further illicit activities related to money laundering, fraud, terrorist financing, and other unlawful behaviors. MoneyGram, however, does not have the right to engage in discriminatory conduct. But that is precisely what it is doing. In the last several months, both Muslim Advocates and YAMA have received an alarming number of complaints from individuals who have had their money transfers denied by MoneyGram employees. In many instances, the individuals have used MoneyGram’s services for years and then suddenly—without any explanation or justification—their money orders are now being denied. The similarity between all of these cases: each of the individuals trying to make the transfer is Muslim and/or the intended recipient resides in a Muslim-majority country with a predominantly Muslim population.

The two cases described below encapsulate MoneyGram’s discriminatory conduct and the devastating impact it is having on families around the world:

- **Debra Yassine.** Ms. Yassine is a U.S. citizen who lives in Washington, D.C. For more than twenty years, Ms. Yassine and her husband have transferred money once a month, every month, to her mother-in-law in Beirut, Lebanon. Ms. Yassine’s mother-in-law is ailing and in poor health, having been diagnosed with diabetes and a number of health ailments. As her maladies continue to worsen with age and the costs of her medications increase, she has become increasingly reliant on the monthly transfer of funds to her from her son and his wife.

On March 31, 2018, Ms. Yassine attempted to send \$300.00 to her mother-in-law, just as she had done for literally hundreds of months. This time, however, MoneyGram refused to process the transaction. All the clerk would tell them was that their transaction was “declined.” In response, Ms. Yassine called MoneyGram’s customer service hotline for more information. Over the course of multiple frustrating phone calls by Ms. Yassine and, later, her husband, MoneyGram employees were evasive about the reasons for the denial. Instead, the employees subjected Ms. Yassine and her husband to a barrage of questions about their place of residence, Ms. Yassine’s mother-in-law and her place of residence, Ms. Yassine’s former mortgage providers, and numerous other questions. Even after providing all this information, the Yassines were informed that the transfer could not be processed.

When Mr. Yassine pressed further, one MoneyGram employee finally told him that the company had an “alert” on people sending money to the Middle East. The employee did not disclose the nature of this “alert” or why Ms. Yassine’s transfers to her mother-in-law would suddenly trigger it after 20 years. Mr. Yassine was eventually transferred to a supervisor, who refused to acknowledge the existence of the “alert” and instead only repeated that MoneyGram was “not comfortable” with the transaction. In the end, the Yassines were left with no meaningful explanation of why the transaction was denied—and with no way to use MoneyGram to provide Ms. Yassine’s mother-in-law with much-

needed financial assistance. Ever since then, MoneyGram has refused all attempts by Ms. Yassine or her husband to send money to Ms. Yassine's mother-in-law.

- **Mohamed Saleh.** Mr. Saleh is a long-time resident of New York City, where he works for a small business. His two children, aged 20 and 12, live in Yemen, as did his wife until her death in 2017. For years Mr. Saleh has sent monthly money orders of approximately \$650.00 to his family. Yemen is in the midst of a brutal civil war—the United Nation recently declared the situation the worst humanitarian crisis in the world; the country's economy is in tatters and there are few jobs available.<sup>2</sup> As such, Mr. Saleh's family greatly relies on the financial assistance he provides. That assistance has become even more necessary after Mr. Saleh's wife passed away last year. His monthly transfers are now essential for his children's well-being.

In August 2018, Mr. Saleh went to make his regular monthly transfer to his children at his local MoneyGram office located in Brooklyn, New York. This time, however, the MoneyGram employee refused to process the transaction. Mr. Saleh was not provided any explanation or reason for MoneyGram's decision. Mr. Saleh went to another MoneyGram office, also located in Brooklyn, and his transaction was also denied. Once again, no explanation was provided.

The denials of these transactions caused Mr. Saleh to be greatly worried for his children. Without his financial assistance, he is not sure where his children will get the resources and support they need to survive. Moreover, he continues to be completely mystified about why MoneyGram denied his transfers. As noted above, he has sent monthly money orders to his family for years without incident. And just a few weeks ago, Mr. Saleh was able to transfer money to his children at a local Western Union office, proving that there are no objective security concerns for MoneyGram's decision to deny his transfers.

MoneyGram's conduct is not limited to Ms. Yassine or Mr. Saleh—there are many others all across the United States who have been subjected to this discriminatory treatment. For example, one individual in San Jose, California suddenly found his monthly transfers to his family in Yemen denied in summer 2018. When he inquired about why the transfers were being blocked, he was informed that his account has been “permanently suspended.” After he continued to ask additional questions, a different MoneyGram representative told him that “we can't give you a reason” for why these actions were taken against his account. Another individual, based in Princeton, West Virginia had his transfers suddenly denied by MoneyGram as well. When he asked a MoneyGram employee why this had happened, he was told that a federal financial regulatory agency was requiring MoneyGram to deny his transfers. But when he followed up with that agency, agency officials denied any involvement in MoneyGram's actions.

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<sup>2</sup> Daniel Nikbakht & Sheena McKenzie, *The Yemen war is the world's worst humanitarian crisis*, *UN says*, CNN (Apr. 3, 2018), <https://www.cnn.com/2018/04/03/middleeast/yemen-worlds-worst-humanitarian-crisis-un-intl/index.html> (last visited Dec. 14, 2018).

Taken together, these incidents reveal that MoneyGram's disturbing conduct is not limited to a few particular employees or locations. Rather, it is clear that MoneyGram is systematically denying money transfers involving residents of countries with predominantly Muslim populations.

## **II. MoneyGram's Actions Are Unjust And Violate Federal and State Anti-Discrimination Provisions**

MoneyGram's actions are having an extremely detrimental impact on individuals here in the United States and around the world. As the above experiences all painfully demonstrate, U.S. citizens and legal permanent residents are unable to provide financial support and assistance to relatives, imperiling their health and well-being. International remittances make up a sizeable component of the global economy,<sup>3</sup> but because of MoneyGram's conduct, residents of Muslim-majority countries are being denied the benefit that these remittances provide. Moreover, a number of these countries, like Yemen, are in the midst of severe humanitarian crises. For example, in March 2017, the United Nations estimated that 18.8 million Yemenis—69% of Yemen's population—needed some kind of humanitarian or protection assistance, including 10.3 million in acute need.<sup>4</sup> As a result of MoneyGram's senseless actions, countless individuals in these countries are being needlessly deprived of much-needed financial assistance.

This behavior is not only cruel and unnecessary, it is also unlawful. MoneyGram's actions amount to discrimination based on ethnicity, national origin, and/or religion, in violation of a number of federal anti-discrimination laws. *See, e.g.*, 42 U.S.C. § 1981 (prohibiting discrimination in the terms and conditions of contractual relationships). In addition, many states have adopted even more robust anti-discrimination protections that are also implicated by MoneyGram's conduct. *See, e.g.*, Cal. Civ. Code §§ 51 *et seq.*, (California's Unruh Civil Rights Act); N.Y.C. Admin. Code § 8-107(4), (13) (New York City's public accommodation law); Mich. Comp. Laws §§ 37.2201 *et seq.* (Michigan's Elliot-Larsen Civil Rights Act).

## **III. Conclusion**

MoneyGram provides a vitally important service to billions of individuals around the globe. In providing this service, MoneyGram must treat all individuals equally, regardless of their ethnicity, national origin, or religion. Blanket denials of transfers to individuals like Ms. Yassine and Mr. Saleh—who are not engaged in any unlawful conduct and are simply seeking to provide much needed funds to loved ones—falls woefully short of that standard. And to the extent MoneyGram does have a legitimate reason to question or deny a transfer, the company should do so in a transparent manner, so that impacted individuals understand and can contest any faulty information that may be informing that decision.

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<sup>3</sup> *See* World Bank, *Record high remittances to low- and middle-income countries in 2017* (Apr. 23, 2018), <https://www.worldbank.org/en/news/press-release/2018/04/23/record-high-remittances-to-low-and-middle-income-countries-in-2017> (last visited Dec. 14, 2018).

<sup>4</sup> *Yemen conflict: How bad is the humanitarian crisis?*, BBC News (Mar. 28, 2017), <https://www.bbc.com/news/world-middle-east-34011187> (last visited Dec. 14, 2018).

Given the urgency of this situation, your prompt consideration and response is greatly appreciated. We can be reached by e-mail at [matthew@muslimadvocates.org](mailto:matthew@muslimadvocates.org) or by phone at (202) 897-2622.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'M. Callahan', with a long horizontal flourish extending to the right.

Matthew W. Callahan  
Staff Attorney\*  
Muslim Advocates

*\*Admitted in California; supervised by D.C. bar members.*