

# How to send a deposit to book an apartment

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## Introduction

Firstly, unless you or a friend bring cash to our gate, there is no way of making a payment to the Dominican Republic without some charges. Banks and transfer systems will charge you. That is what they do – but some cost a lot more than others. Some of the newer online financial organisations are offering transfers at competitive prices and good exchange rates. The following information is from mid-2024.

Small amounts usually cost a fixed fee (often 10 dollars/euro per transfer) while larger amounts (defined individually by each transfer service, often starting around 3,000 -5,000) usually take a percentage of the amount transferred.

Your options depend on where you are resident and hold your bank account. For this document we are assuming you are in one of Canada, US, UK, Germany, France or another EU country.

If you are resident in one of the above countries, with a bank account and/or credit or debit card, you will be able to use most or all of these facilities to transfer money to us, even if we are unable to request a payment and automatically collect money from you.

Many payment channels are not available to residents or companies in the Dominican Republic. Although PayPal is available here, there is only one bank that is authorised to pay out cash to account holders (Banco Popular - NOT the same bank as the Puerto Rico Banco Popular). The fees for this, on top of PayPal international fees, make it a very expensive route, so we have not pursued it.

Note: E-transfer sending and receiving money to an email address, which is very popular in Canada, is only available to Canadian residents. It cannot be used to send money abroad from Canada.

## What are the options?

### 1. Inter-bank transfer

This is the simplest and most widely available. Banks use the SWIFT system, based on a BIC or ABA code, an IBAN, account and branch code or some combination to transfer money from one bank account to another. This usually routes money through a regional hub – New York for North America, and Madrid or Frankfurt for Western Europe. The transfer is usually made through a third (correspondent) bank, meaning up to three sets of bank fees. Therefore, a transfer will usually cost around 30 to 40 US dollars/Canadian dollars/euro. Recently transfers have arrived same or next day.

Major Canadian banks such as Scotia Bank, Royal Bank of Canada will make transfers, but some Canadian provincial banks seem unwilling to do so.

You need the BIC (or ABA) code plus account name and number (US), or the IBAN (EU), which includes the branch and account number. Also the name of the receiving account, the name and physical address of the receiving bank.

Some new internet banks offer competitive rates for small or large value transfers and deliver same day. For example, our experience with Revolut from Europe has been good.

### 2. Online transfer/remittance systems

These include Wise, Remitly, World Remit, Xoom, Ria and PayPal (and others). You transfer money to them from your bank account, they pay out to the payee's bank account.

These tend to be cheaper than inter-bank transfers for small amounts, but if you send in a currency other than US dollars check the exchange rate. You may be able to upload a larger amount and hold a balance online, and control exactly when each payment is sent to a payee. Some are only available to US bank account holders, others only to bank account holders in the countries listed on page 1.

PayPal is not a good choice here. PayPal accounts are available in the Dominican Republic. You can receive money into your account and from there you can spend it online or send it to another PayPal account. You cannot link to a

local bank account or credit card and convert receipts to cash, except via Banco Popular, which involves high charges that we do not wish to pay.

### **3. Cash pickup systems**

The best known internationally is Western Union. To send a payment, you either go to an office near you with cash, or log in online (e.g. westernunion.ca, westernunion.de etc.) and pay money using a credit or debit card or make a transfer from your bank account.

You must send us the details, with the payment reference, your name and the city from which you are sending. The money is paid out in cash (normally within 2 to 3 days) at our local Western Union office. You can transfer in either USD (we prefer) or DOP (pesos). They normally offer excellent exchange rates. You must put the full name of the recipient (person) as shown on their official ID, or they will not release the cash.

Within the DR, Caribe Express is the largest money transfer network. You can send money for pickup from Caribe Express using most online transfer systems including Remitly and Xoom. Again, please use the full name, so it exactly matches the recipient's local ID card.

Moneygram is a cash pickup system using banks as collection points. These include Banco Popular and BHD. My experience is that they have very poor exchange rates and pay out only in pesos (but this may no longer be true). Please only use Moneygram to pay us if you have no other option.

### **Other points to note**

#### **Charges**

Oasis in Sosua as payee will accept the incoming payment charge made by Banco Santa Cruz or Western Union, which is normally US/EUR 10.00. We will credit you and issue a receipt only for the amount received plus this fee for receiving the money. You as the payer must cover all other charges, both from your own bank and any intermediary bank or transfer/remittance service

#### **Tracking your money**

Please ALWAYS inform us if you make a transfer, so that we are able to recognise it when it arrives. Banks will ask you for a payment reference, but often this does not arrive with the payment, so we do not know who sent the money. We will confirm when it arrives, and issue you a receipt for the amount we received, and credit you \$10 for fees if it is a bank or WU transfer.

#### **How to start**

If you would like to make a bank transfer to Oasis in Sosua, please ask for bank and account details (USD or EUR) and give us a Whatsapp number so we can send a secure reply. For Western Union/Caribe Express, please ask for the recipient name to use. Email is too insecure to send these details openly.

#### **Conclusions**

Our opinion, from many years of transferring money between different countries is to prefer one bigger payment rather than several small ones. We aim to keep transfer charges below 3% of the amount being transferred, and considerably less for large transfers. Unless you are paying a small amount (200 or less), bank transfers are often the best alternative. For small amounts we prefer either Western Union, or Caribe Express (through a remittance service like Remitly or World Remit). If you already have a different option, please check with us before making a transfer. Any suggestions for better ways to send money are welcome.

Thank you!

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