



## CONSUMER ALERT: PEER-TO-PEER PAYMENT SERVICES

**The Division of Financial Institutions' Office of Consumer Affairs is following some concerns regarding usage and customer service with peer-to-peer payment services (P2P).**

Peer-to-peer (P2P) payment services, also known as money transfer apps, allow the transfer of funds between two people using various funding methods such as a checking account or debit card. This is generally done online or through a mobile app. These payment services allow a convenient and quick way to send money for things such as splitting the bill for a pizza or going in on a gift for a friend.

While the use of these services is a growing trend, consumer protections are limited and may generally be based on how the payment is funded. This means, it can be very difficult to get refunded for a fraudulent or mistaken transaction, especially if you are using funds directly from the app and not your financial institution. Either way, there is no guarantee that you will be refunded if a mistake or fraud occurs.

Unfortunately, live phone support is not always available for P2P service providers. Therefore, it is important to proceed with caution when contacting any number found online as this could lead to fraud.

Things to consider when using P2P payment services:

- Only send and receive money from people you know and trust. Do not use a payment app to send money to strangers.
- Slow down and make sure all the details for the intended recipient are correct.
- Unless you are using a payment app that is specifically meant for business users, sending money to pay for goods and services is discouraged and sometimes prohibited according to the P2P payment provider's terms of service.
- Review the terms and conditions of the P2P payment provider's service carefully. Especially concerning transaction errors, buyer or seller protection programs and the dispute-resolution process.
- Research security options available for each P2P platform. What login securities are available? Is two-factor authentication offered? Is there an option for transaction alerts?
- No one representing a P2P service provider will ever ask for your sign-in code, personal information or for you to download an app, over the phone, on social media, or through any other medium.

As a final note, treat P2P payments as you would cash because generally, once it's gone it can't be retrieved.

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*If you have questions or concerns regarding P2P payment services or wish to file a complaint, contact the Division of Financial Institutions' Office of Consumer Affairs at 614-644-6508 or [webdfi-oca@com.ohio.gov](mailto:webdfi-oca@com.ohio.gov).*

*The Division attempts to resolve consumer complaints through informal mediation however, it is important to understand we cannot act as an advocate for either party, nor can we guarantee any certain resolution to a complaint.*