

# INTERNATIONAL WIRES

## **How long does it take money to be wired into a U.S. account from an overseas account?**

The most general answer is as short as 3 days and as long as 10 or more days. Countries that are known international banking countries, such as Switzerland, usually take the shortest amount of time.

## **What are the steps to arrange an overseas wire for my buyer?**

The buyer receives wire and amount owed information (in U.S. dollars) from the escrow company. The buyer takes this information in to their local bank and authorizes the outgoing wire. If the local bank is not a branch of an international bank, the local bank notifies their correspondent bank, who, if they are not the international bank, then notifies an international correspondent bank. This could take 2 days, depending on the time of day the buyer went in to the first bank and how many layers of branches the wire needs to go through to reach an international bank. Each bank will charge a fee for their services. At the international bank, the foreign currency is changed to U.S. dollars and the wire is sent through the Federal Reserve. The Federal Reserve notifies the receiving bank of the incoming wire. Most escrow and title companies use international banks for their banking. However with those that do not, the incoming wire follows the same path as the outgoing wire, wherein it is received by an international bank and then the correspondent bank is notified, and then the receiving bank is notified. Our escrow company uses an international bank so the chance of delay for this reason should be greatly reduced.

## **How can this be streamlined?**

If you are working with a foreign buyer, have the buyer open an account with an international bank locally. Comerica, Union, Wells Fargo, Bank of America are all examples of an international bank. They will need the account when relocating here, and by working on this early they can take care of the upfront paperwork required by

the bank in advance of the need for the money. If the buyer can do some research with the banks in their country, they can either find one of the above banks in their country. This would be a most direct wire, where the buyer has opened an account with an international bank and can deposit the funds for their purchase into the account and The funds can then be easily moved to the U.S. branch of the international bank. Or, if not, they can find a bank in their country that has a relationship with one of the above local international banks, and make sure that their funds are deposited into this bank in preparation of the transfer. Keep in mind the overseas bank will need the U.S. bank SWIFT Code. The SWIFT code is on our Wire Authorization form.

## **What is the exchange rate and where in the wire process is it assessed?**

The exchange rate sometimes changes hourly. The best way for your buyer to determine the exchange rate is to check with the international bank in their country on the day the wire is being sent. The foreign currency is changed into U.S. dollars upon departure from the foreign country, and prior to receipt of funds by the Federal Reserve.

## **How can a wire be held up?**

Since September 2011 the Office of Foreign Assets Control (OFAC) not only checks the Specially Designated Nationals (SDN) list for persons of concern to the United States Government, it also checks for countries of concern as well as financial institutions of concern to the U.S. If your client, the country from which the wire is being sent, or the financial institution initiating the outgoing wire are on any of these lists, the money may be held up before it reaches our escrow account, or it may not be able to be wired into the United States at all. If you have questions about the Specially Designated Nationals List, Countries of Concern, or the Office of Foreign Assets Control (OFAC), please visit the following website:

[www.treas.gov/offices/enforcement/ofac/programs](http://www.treas.gov/offices/enforcement/ofac/programs)



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