

Press release

Cheap conversion. Banks say: impossible

Since the beginning of the year Visa has begun converting our liabilities in foreign currency straight to PLN. Banks were mad. In response to this, part of them either introduced or increased fees for such transactions. Here you can find a solution for this problem. Enter currency cards.

When going abroad either cash or a card are often taken. It is best, however, to have both. Moreover, the currency card is much more useful than the classic payment card. Why?

What Visa done

A currency card can be used abroad in exactly the same way as here. The only difference is the cost. Frankly speaking: it will be much higher. Therefore, if the payment card is used, it has to be recognised that the funds will be double converted. Until now, when paying with Visa, standard procedure was conducted. Assuming that John spends his holiday in Turkey and pays with his card in a shop, the bank will firstly transfer his funds from PLN to euro and then to the Turkish lira. Each conversion, of course, charges John with a fee (by both Visa and the card issuer).

This happened each and every time a different currency to the euro or dollar was the final monetary unit of the transaction. To give an example close to many Poles: when paying with a traditional payment card in Great Britain, the amount of the transaction in British pounds had to be converted to the euro (or the dollar, depending on the bank or card operator), and then to the Polish zloty. This conversion meant a loss for the customer because of different exchange rates and spreads.

Last year, Visa decided to change this. The company acknowledged the customers' needs by announcing that from the beginning of 2015, when paying with Visa cards abroad, the currency sent to the bank will be the currency in which the final account is held.

Bank wants to earn

However, the clients were not happy for long, at least not all of them: many banks not only made up for losses, but also noted a significant income. After detecting a possibility to make money on card transactions abroad, the banks decided to introduce fees for such operations.

Press release

The research was one, which was done by the website PRnews.pl (<http://bit.ly/1Chz6sJ>). It turned out that PKO Bank Polski will raise the level of commission, from 2 to 3 per cent, for the conversion of transactions made with their card PKO Ekspres (Visa) in currencies for which PKO does not run an exchange rate table from 2 to 3 per cent. This change will not affect the cards issued for the account PKO Konto Dla Młodych (Young persons account), which were distributed within the contract signed after January 10, 2014.

According to the website's data, until recently there has been a division into EU countries (5 per cent commission) and countries outside of the EU (6 per cent) in mBank. Currently, for all non-cash transactions and cash withdrawals with cards, the bank collects additional 5.9 per cent commission on the value of the transaction.

Additionally, PRNews.pl report says that Meritum Bank used to have commission for currency conversion (other than transactions in EUR) set on the level of 2 per cent. According to the new fees and commission table, all transactions will include commission. However, transactions in EUR will not be charged with this fee until the end of March.

In Credit Agricole bank commission for conversion will be raised from 2 to 3 per cent. Moreover, a clause in the BNP Paribas Bank's list of fees seems to be quite significant: - Regarding non-cash transactions and cash withdrawals made abroad with Visa cards a fee of 3 per cent of the transaction total is going to be charged for currency conversion. The fee will be included in the transaction's amount in PLN listed on the bank's statement and is not listed as a separate item on the list. No fees are collected for currency conversions with MasterCard cards - summarised PRNews.pl.

The solution? Currency cards

What to do, then, in order to avoid additional fees and commission? A solution to that dilemma is a currency card, which works perfectly abroad. The FX company Cinkciarz.pl offers such cards in four currencies, including, obviously, the Polish zloty, but also the American dollar, the euro and the British pound. In order to use it one does not need to open a currency bank account. A free account at Cinkciarz.pl is enough to order a card.

Cinkciarz.pl currency cards can also be regarded as a safe form of pocket money. After topping it up it can be given to a pupil before leaving for a holiday or taken as an additional means of financial support.

All transactions are confirmed using a PIN code. This means the money is safe even if the card is lost or stolen. The currency card is also very universal and comfortable in use. It can be used any place accepting Visa or in foreign online shops.

Press release

However, what's most important is that it allows money to be saved thanks to the lack of currency conversion from the zloty to dollars, euro or pounds.

How is it possible?

Using the currency card is easy thanks to topping up via the online currency exchange office. The solution works perfectly as exchange rates online are very competitive to the ones at banks and traditional currency exchange offices. The card also allows ATM withdrawals abroad.

Assumptions are clear and easy to follow. The most important thing is that the currency card does not require a bank account in the foreign currency. There are also as few formalities as possible. The card doesn't even require a contract to be signed as it is a stored-value card and can be topped up multiple times, obviously, to a set limit. Moreover, currency cards increase control over spendings, which may be crucial with regard to younger travellers. Parents can control what they are paying for and how much is being spent and be sure the set limit is not exceeded. How much is currently on the card? This can be checked by calling the bank's helpline, with a text or at a cash machine.

The currency is bought at the most competitive rates. There is also no time limit or minimum top up value.

Pay attention to the limits

The currency card isn't expensive. Getting one comes with a one-time payment of 15 PLN, shipping included. To order the card, log in to Cinkciarz.pl and follow the step-by-step instructions presented there. It is easy and requires no further commitments.

However, before you decide to get a currency card, it is worth taking a look at the limits. At the very least one should check the table specifying the top amount to keep in the account or the maximum amount to be withdrawn at the cash machine. Keep in mind, that it is possible to have more than one card (maximum 7).

It is also important to take a look at the bank's fees and commission table. The fees aren't high (e.g. for a cash machine withdrawal) but they should be acknowledged before buying a currency card.

Press release

INFORMATION ABOUT THE BRAND

Cinkciarz.pl provides online FX services, using state-of-the-art FX technology for everybody, including individuals, entrepreneurs, travellers and those repaying loans in foreign currencies. Cinkciarz.pl presents the most favorable rates of all the 24 currencies in its offer. Categories of services offered are: online currency exchange (in three transaction models) and currency cards. The transactions can be concluded via internet transfers from any bank account 24/7. Cinkciarz.pl is the first FX company in Poland to join the SWIFT organization which includes only the largest banks and financial institutions. The company is also amongst Bloomberg data and analysis suppliers. Cinkciarz.pl EUR/PLN forecasts have been awarded first place in the world for four consecutive quarters in Bloomberg's rank Best EMEA Currency Forecasters Q3 2013 and the first place for the CZK/EUR and ZAR/USD forecasts for the first three quarters of 2014.

For additional information contact:

Kamil Sahaj
Marketing Manager
ks@cinkciarz.pl
+48 726 666 633

Kalina Stawiarz
PR Specialist
kst@cinkciarz.pl
+48 726 666 644

Cinkciarz.pl Sp. z o. o.
C | Sienkiewicza 9 | 65-001 Zielona Góra
B | Jerozolimskie 123a | 00-965 Warszawa
press: www.cinkciarz.pl