



ELDERTREKS

SMALL GROUP
EXOTIC ADVENTURES
FOR TRAVELERS 50 PLUS

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FOREIGN TRANSACTION FEES – CREDIT CARD PAYMENTS

Some facts you should be aware of

Some of ElderTreks' clients have contacted us regarding foreign currency transaction fee(s) that were charged to their credit card. Often, our clients have the mistaken belief that ElderTreks may be responsible for these charges. **This is incorrect.** We have even heard that some issuing banks have denied that the charges originated from them. **This is incorrect.** Previously, this was not a common practice however lately the charges have happened enough that we feel it is important that we do our part to inform all of our clients who intend to make payments using their Visa or MasterCard of additional charges that may occur.

The actual card payment network and issuing bank, not ElderTreks, charges foreign currency transaction fees. All charges on Visa and MasterCard are processed in US dollars and deposited into an ElderTreks' U.S. dollar bank account. Credit card companies for the use of their global infrastructure assess all transactions. Whenever a transaction crosses an international boundary a fee may be charged, regardless of the currency used by the merchant. Your financial institution will then decide if it will absorb the fee or pass it on to you, the cardholder.

How much might you be charged?

ElderTreks has no control over what the banks or credit card companies charge, but we have found that the foreign currency transaction fee for credit card purchases is normally comprised of two parts:

1. The fee percentage charged by the card payment network (such as Visa or MasterCard)
2. The fee percentage added by the card issuer (such as Citibank, Chase, Bank of America, etc.).

Visa and MasterCard impose a standard 1% fee on all foreign currency charges to cover the expense of converting your foreign currency purchases back to US dollars. Since ElderTreks has a US dollar account for both Visa and MasterCard, this should not happen, this is U.S. dollars going into a U.S. dollar account. Banks and card issuers may also tack on their own additional transaction fee

to the total, usually 2%. The total foreign transaction fee charged on top of your payment could range from 1% to 4%.

What you can do to find out if you may be subject to these extra charges?

If this is a concern for you, please contact your credit card issuing bank to ask if foreign currency transaction fees will be charged when dealing with ElderTreks, situated in Canada or any foreign company for that matter.

Be sure to tell them that ElderTreks is a Canadian company, we charge in U.S. dollars and all money goes directly into a U.S. dollar bank account in Canada. While foreign currency transaction fees are now generally listed and disclosed by credit card companies, card issuers rarely publicize these hidden charges, preferring to leave them in fine print.

ElderTreks option to avoid these charges and save 2%

An option to avoid these fees is to make your final payment by cheque to ElderTreks. Not only will you avoid a possible foreign currency surcharge but you also receive a 2% discount. If you choose to use your credit card for any payments, ElderTreks is not responsible for any foreign currency surcharge and will not make any compensation for charges imposed by your bank or credit card company of your choice.

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