

How to save money on your international payments ?



## Planning:

“Someone's sitting in the shade today because someone planted a tree a long time ago.”

- Warren Buffett

“If you don't know exactly where you're going, how will you know when you get there?”

- **Anonymous**

## Small numbers, long time, impressive results:

- **Set aside 500 €** monthly
- at the age of 60 years old
- **get 500,000\* €**

# **COSTS** OF INTERNATIONAL PAYMENTS

An iceberg floating in a blue ocean under a blue sky. The small tip of the iceberg is above the water line, while the much larger, jagged body of the iceberg is submerged below the surface. The water is a deep blue, and the sky is a lighter blue with some wispy clouds.

**FEES**

The charges you see

**TIME**

**CORRESPONDING BANKS  
EXCHANGE RATE**

The charges you don't see

# AN **INCONVENIENT** TRUTH

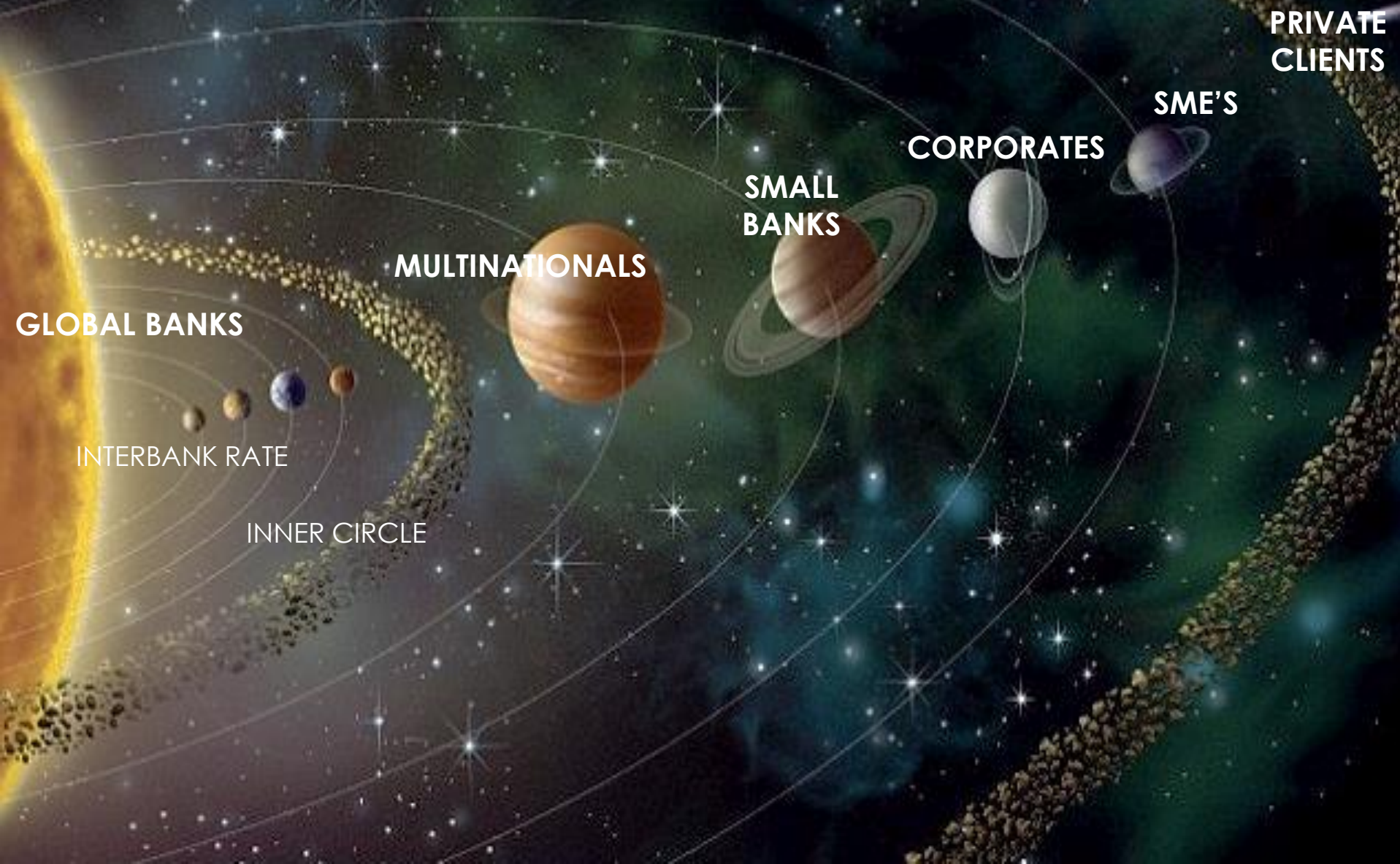


**S€PA**  
Single Euro Payments Area

		EUR		RON	
FEES FOR A TRANSACTION	% OF AMOUNT	MIN	MAX	< 50 K	> 50 K
LOW / HIGH TOP 10 BANKS	0.05% - 0.25%	10 €	2,000 €	2.5 – 10.5	10 – 21
COST FROM TRANSFOND	0.11 €/TRX			0.51 RON/TRX - 6 RON/TRX	



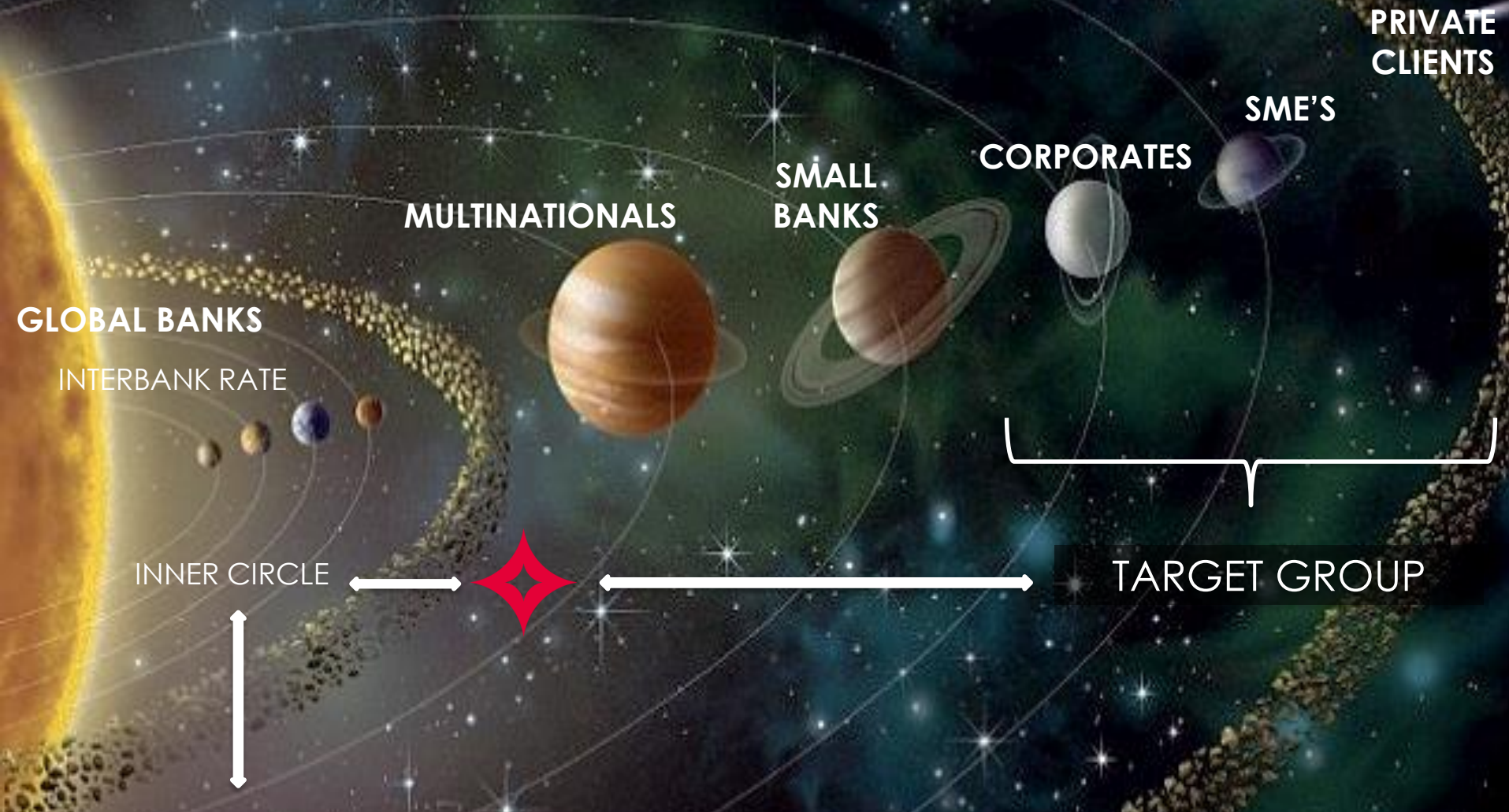
# THE FX MARKET AND THE TRUE EXCHANGE RATE



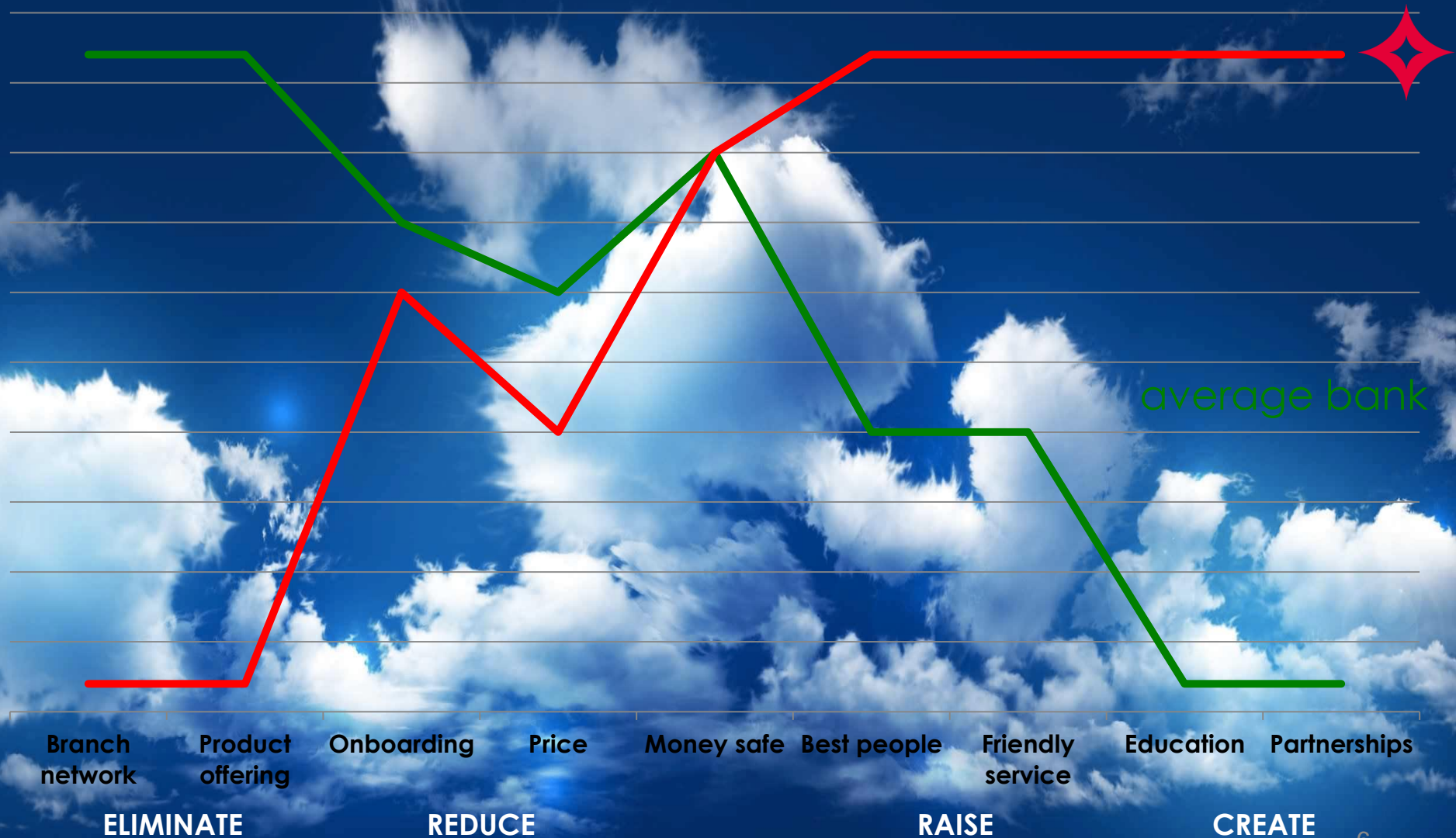


# THE FX MARKET AND THE TRUE EXCHANGE RATE

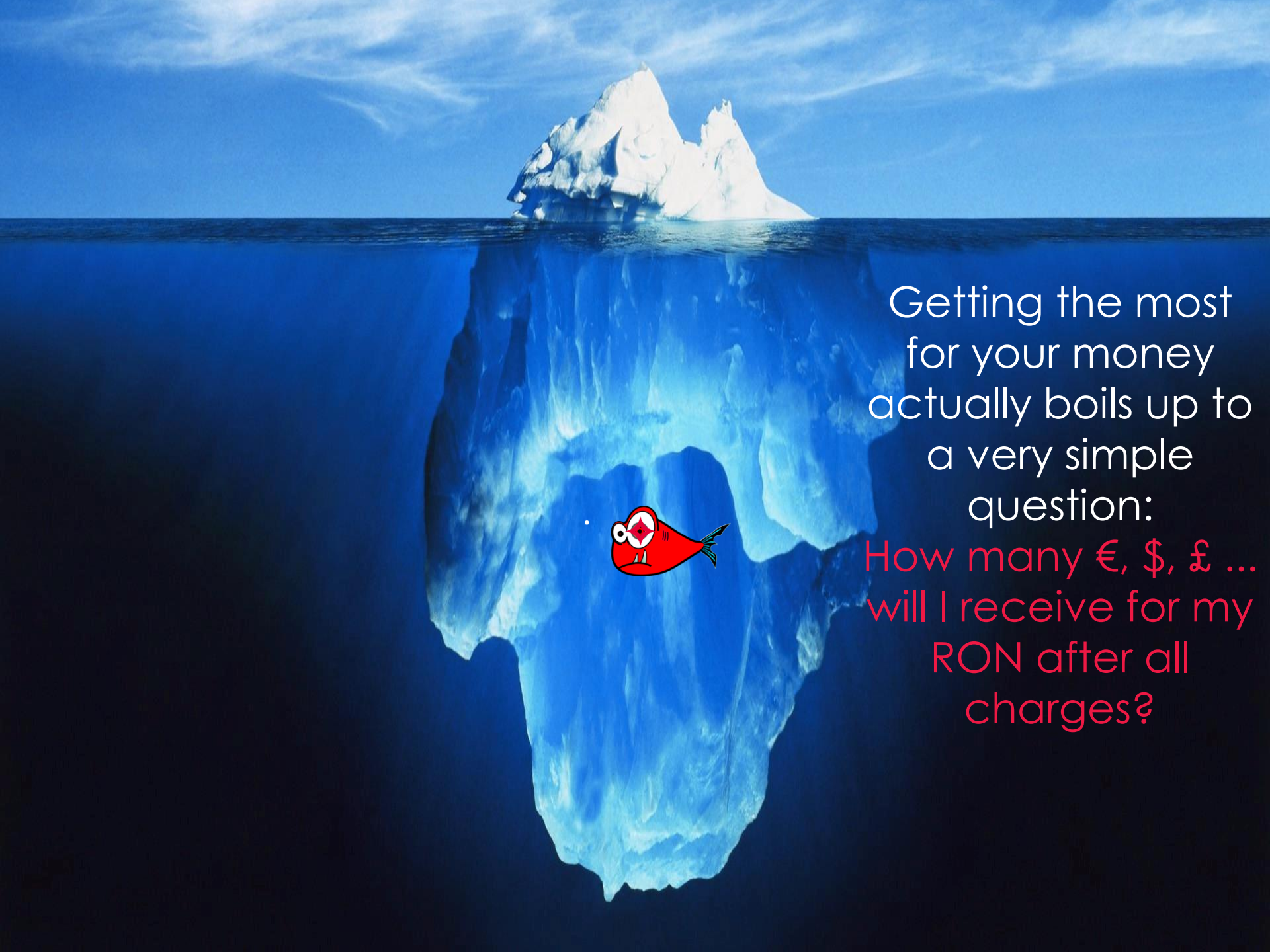
## HOW DOES IT WORK?



# THE STRATEGY OF IN ROMANIA







Getting the most  
for your money  
actually boils up to  
a very simple  
question:



How many €, \$, £ ...  
will I receive for my  
RON after all  
charges?



# HOW MANY **€URO** WILL I RECEIVE FOR MY **RON AFTER ALL CHARGES** ?



## Case study:

Company importing furniture  
Annual Import Volume: EUR5mln  
Monthly Payments: 4  
Average payment: EUR100,000

07/11/17 – 13.30AM

	BANK A	BANK B		BANK A	BANK B	
X-RATE € / RON	4.5990	4.6150	4.5920	4.6250	4,6500	4,5990
<b>AMOUNT OF € REQUIRED</b>	<b>100,000 €</b>			<b>500 € (monthly)</b>		
AMOUNT OF RON PAYMENT	459,900	461,500	459,200	2,313	2,325	2296
X-RATE SAVINGS (RON)	700	2,300		17	29	
PAYMENT FEE € / TRX	0.20%	0.15%	0.00%			
TRANSFER FEES (€)	200 €	150 €	0 €	25 €	20 €	0 €
<b>TOTAL SAVINGS / payment (€)</b>	<b>352 €</b>	<b>650 €</b>		<b>28.7 €</b>	<b>26.3 €</b>	
<b>MY € AFTER ALL CHARGES</b>	<b>99,648 €</b>	<b>99,350 €</b>	<b>100,000 €</b>	<b>471.3 €</b>	<b>473.7 €</b>	<b>500 €</b>
<b>ANNUAL TOTAL SAVINGS (€)</b>	<b>16,896 €</b>	<b>31,200 €</b>		<b>344 €</b>	<b>316 €</b>	
as % of total spend				5.70%	5.30%	

# HOW TO **SAVE MONEY** ON MY INTERNATIONAL PAYMENTS ?



- ✦ **COMPARE** ALL-IN PRICES
- ✦ **NEGOTIATE**
- ✦ **AVOID** TOO MANY BANK ACCOUNTS
- ✦ KEEP **CASH FLOW** IN **RON**
- ✦ KEEP YOUR **FREEDOM**
- ✦ PRO-ACTIVE **MANAGE** YOUR **CURRENCY RISK**



# **1 BECOME A CLIENT**

It is 100% free!

# **2 TRANSFER YOUR MONEY**

We only work with the best global banks!

# **3 MAKE A PAYMENT**

It is 100% free!

You will save money ... every time!





Thank you for your time



Communication from the Commission pursuant to Articles 14(1) and 3(3) of Regulation (EC) No 924/2009 of the European Parliament and of the Council on cross-border payments in the Community and repealing Regulation (EC) No 2560/2001 (1)



2011/C 209/12

On 16 September 2009, the Council and the European Parliament adopted Regulation (EC) No 924/2009 on cross-border payments in the Community.

Article 14(1) of this **Regulation stipulates that a Member State that does not have euro as its currency may decide to extend the application of this Regulation to its national currency.** In addition, Article 3(3) of the Regulation specifies that a Member State which has notified the extension of the application to its currency may also decide that a national payment denominated in the currency of that Member State is to be considered a corresponding payment to a cross-border payment denominated in euro.

**On 26 May 2011, the Commission received a notification that the Romanian Government had decided to extend the Regulation's application to payments in the Romanian lei.** The extension of the Regulation to Romanian lei, pursuant to Article 14(1), shall take effect 14 days after publication in the Official Journal of the European Union. **From that day onwards cross-border payments in Romanian lei shall be charged the same as national payments in lei.**

**The Romanian authorities have also decided that as of 1 January 2012, a national payment denominated in Romanian lei shall become a corresponding payment to a cross-border payment denominated in lei and in euro. From that day onwards cross-border payments in Romanian lei and in euro shall be charged the same as national payments in lei.**

# PAYMENT FEE **CLIENT** TO **LOCAL MC** ACCOUNT IN **RON**



<b>BANK (RON)</b>	<b>&lt; 1000 RON</b>	<b>&gt;1000 – 50K</b>	<b>&gt; 50K</b>
BCR (ERSTE)	4.51	6.51	18.00
BRD (SOCIETE GENERALE)	5.00	8.00	19.50
BT	3.60	5.30	16.00
UNICREDIT	3.51	7.51	14.40
CEC BANK	6.00	9.00	18.00
RAFFEISEN	4.51	4.51	14.00
BANCPOST (EUROBANK)	6.51	6.51	21.00
ING		4.51	10.00
ALPHA BANK	8.51	10.51	21.00
GARANTI	2.50	5.00	15.00

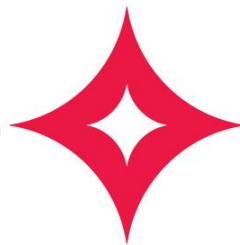
(1) Fee / Trx paid by client for transferring RON from his local account to the MC RON account – charged by his / her bank

(2) All transactions made via Internet Banking

(3) Cost for local bank (invoiced by Transfond) is 0.51 RON for Trx below 50K RON and 6 RON for Trx above 50k RON



# PAYMENT FEE **CLIENT** ACCOUNT TO **MC** ACCOUNT IN €



BANK	% OF AMOUNT	MIN	MAX
BCR (ERSTE)	0.15%	25 €	800 €
BRD (SOCIETE GENERAL)	0.20%	20 €	1500 €
BT	0.10%	15 €	600 €
UNICREDIT	0.17%	10 €	750 €
CEC BANK	0.25%	25 €	1000 €
RAIFFEISEN	0.10%	25 €	500 €
ING	0.15%	50 RON	1750 RON
BANCPOST (EUROBANK)	0.25%	25 €	1000 €
ALPHA BANK	0.25%	-	2000 €

\* Fees / Trx paid by client for transferring € (or other FCY) from his local account to the MC account – charged by his bank

\*\* Fees paid to correspondent bank included in charged fee except for BRD, BT and CEC Bank)

(1) Standard fees – not negotiated

(2) Cost per transaction for local bank as invoiced by Transfond is 0.11 € / Trx