

[REDACTED]

From: [REDACTED]
Sent: Friday, 12 October 2018 12:10 AM
To: Foreign Exchange and Remittance
Subject: Submission regarding foreign exchange
Attachments: [REDACTED] -Credit card exch rate complaint - Doc 1.pdf; [REDACTED] - Credit card exch rate complaint - Doc 2.pdf; [REDACTED] - Credit card exch rate complaint - Doc 3.pdf

Hello,

I wish to make a submission to the Inquiry into Foreign Exchange in relation to my experiences with [REDACTED] using my [REDACTED]

I have attached a copy of my communications with [REDACTED] which clearly outline my concerns.

In summary, I would like the Enquiry to consider the following:

1. The difficulty that I had even lodging a complaint with the bank in identifying the responsible party (i.e. [REDACTED] (the bank) or [REDACTED]);
2. That on a [REDACTED] statement (such as that received every month) there was no clear disclosure as to the exchange rate used or as to the method of calculating the fees charged and who was the beneficiary of those fees;
3. That the total of the fees (being the exchange rate margin as well as a specific separate fee) charged was excessive in all the circumstances and amounted to approximately 10% of the total purchase price (or the amount converted);
4. As a result the cardholder has no reasonable way of determining the amounts they have been charged and should be made aware of it quite clearly.

I referred this issue to the Financial Services Ombudsman whose determination was that he did not have jurisdiction to deal with the matter or to regulate the fees. Therefore the matter was never resolved.

Regards,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Hi,

I was wanting to obtain clarification of fees and charges and the exchange rate made to my credit card [REDACTED] as a result of my recent trip to New Zealand.

Accordingly, I rang [REDACTED] but was informed that they are an incoming call centre and do not have the ability to send out information as per my request. My particular concern included exchange rates in relation to my credit card transactions. I was advised to go in to a branch. I pointed out that by going into the branch that would not give me a face-to-face communication with the persons able to provide the answers. My concern was that my message may not necessarily be passed through accurately and then the response may go to the branch rather than coming to me directly. I therefore said could I have a contact e-mail or phone number to make these enquiries myself.

I was given the telephone number [REDACTED] to call. I rang that number and it appeared to be [REDACTED] and a mechanical voice stated that my bank had instructed them to get me to call [REDACTED]. Therefore I called [REDACTED] and then found that it was [REDACTED] and appear to be identical to [REDACTED]. I proceeded no further with that phone number.

I then went on the website and came across your secure feedback form which provides for feedback whether it be a compliment, suggestion or complaint. Because I use dictation software I dictated onto a Word document and then copy and paste onto the online facility. Your facility does not accept anything to be pasted into the box. With detailed information it is important to provide it as accurately and clearly as possible and that is why rather than typing it on the actual form it was typed separately to be pasted on it. Therefore I was completely unable to send the full details of this complaint and instead sent a message asking to be e-mailed with details as to where I can e-mail my detailed complaint.

It should not be this hard to communicate with the bank when seeking a written response to a concern or query!

I am now writing to you.

What my concern is, is that in my recent trip to New Zealand between 10th of February 2017 and 25 February 2017 I used my credit card extensively and, on perusing my credit card statement, received today I was quite astounded at not only the fees and charges but also what appeared to be an extraordinarily poor exchange rate. The exchange rate used in relation to the transactions was not disclosed. It is my view when combining the fees and charges with the extraordinarily poor exchange rate I appear to have been charged around about 10% on each and every transaction. I consider these to be excessive charges particularly given that it would be presumed that a reasonable and proper exchange rate would be used not one with an artificially broadened spread of buy/sell prices.

Accordingly, so that I can fully understand my statement, would you please provide me with a tabulated listing of the transactions in the following manner with the following columns:

1. The New Zealand charge for the actual purchase;
2. The buy/sell exchange rate used by [REDACTED] at the time of the transaction and used to make the conversion to Australian dollars;

3. The [REDACTED] exchange rate for that particular day to 2 decimal places (kindly note I have suggested the [REDACTED] exchange rate because [REDACTED] is the company used in relation to your [REDACTED]);
4. Any additional fees and charges and the means by which those are calculated.

Presuming you will claim that the fees and charges are both reasonable and proper, would you kindly direct me to the particular provisions in your credit card terms and conditions that specifically authorise you to make:

1. Charges in excess of the market transaction rate on foreign exchange dealings;
2. Fees and charges in relation to foreign exchange dealings.

I look forward to hearing from you at your earliest opportunity.

I am happy to receive communications by e-mail.

[REDACTED]

From: [REDACTED]
Sent: Monday, 20 March 2017 1:06 PM
To: [REDACTED] 'Online'
Subject: RE: Feedback - Make a complaint

Hi,

Thank you for your email and getting back to me.

I was wanting to obtain clarification of fees and charges and the exchange rate made to my credit card [REDACTED] as a result of my recent trip to New Zealand.

Accordingly, I rang [REDACTED] but was informed that they are an incoming call centre and do not have the ability to send out information as per my request. My particular concern included exchange rates in relation to my credit card transactions. I was advised to go in to a branch. I pointed out that by going into the branch that would not give me a face-to-face communication with the persons able to provide the answers. My concern was that my message may not necessarily be passed through accurately and then the response may go to the branch rather than coming to me directly. I therefore said could I have a contact e-mail or phone number to make these enquiries myself.

I was given the telephone number [REDACTED] to call. I rang that number and it appeared to be [REDACTED] and a mechanical voice stated that my bank had instructed them to get me to call [REDACTED]. Therefore I called [REDACTED] and then found that it was [REDACTED] overseas services and appear to be identical to [REDACTED]. I proceeded no further with that phone number.

I then went on the website and came across your secure feedback form which provides for feedback whether it be a compliment, suggestion or complaint. Because I use dictation software I dictated onto a Word document and then copy and paste onto the online facility. Your facility is not accept anything to be pasted into the box. With detailed information it is important to provide it as accurately and clearly as possible and that is why rather than typing it on the actual form it was tight separately to be pasted on it. Therefore I was completely unable to send the full details of this complaint and instead send a message asking to be e-mailed with details as to where I can e-mail my detailed complaint.

It should not be this hard to communicate with the bank when seeking a written response to a concern or query! You may like to take the above concerns on board as well however they were not the basis of my main concern and reason for contacting you.

The reason I was wanting to communicate with you was as follows.

What my concern is, is that in my recent trip to New Zealand between 10th of February 2017 and 25 February 2017 I used my credit card extensively and, on perusing my credit card statement, received today I was quite astounded at not only the fees and charges but also what appeared to be an extraordinarily poor exchange rate. The exchange rate used in relation to the transactions was not disclosed. It is my view when combining the fees and charges with the extraordinarily poor exchange rate I appear to have been charged around about 10% on each and every transaction. I consider these to be excessive charges particularly given that it would be presumed that a reasonable and proper exchange rate would be used not one with an artificially broadened spread of buy/sell prices.

Accordingly, so that I can fully understand my statement, would you please provide me with a tabulated listing of the transactions in the following manner with the following columns:

1. The New Zealand charge for the actual purchase;
2. The buy/sell exchange rate used by [REDACTED] at the time of the transaction and used to make the conversion to Australian dollars;

3. The [REDACTED] exchange rate for that particular day to 2 decimal places (kindly note I have suggested the [REDACTED] exchange rate because [REDACTED] is the company used in relation to your [REDACTED]);
4. Any additional fees and charges and the means by which those are calculated.

Presuming you will claim that the fees and charges are both reasonable and proper, would you kindly direct me to the particular provisions in your credit card terms and conditions that specifically authorise you to make:

1. Charges in excess of the market transaction rate on foreign exchange dealings;
2. Fees and charges in relation to foreign exchange dealings.

I look forward to hearing from you at your earliest opportunity.

I am happy to receive communications by e-mail.

Regards,

[REDACTED]

[REDACTED]

[REDACTED]

-----Original Message-----

From: [REDACTED]
Sent: Monday, 20 March 2017 12:31 PM
To: [REDACTED]
Subject: RE: Feedback - Make a complaint

[REDACTED]

Dear [REDACTED]

Thanks for your email.

Simply reply to this to this email with the full details of your concerns and we will advise how best we can assist.

Alternatively in writing to:

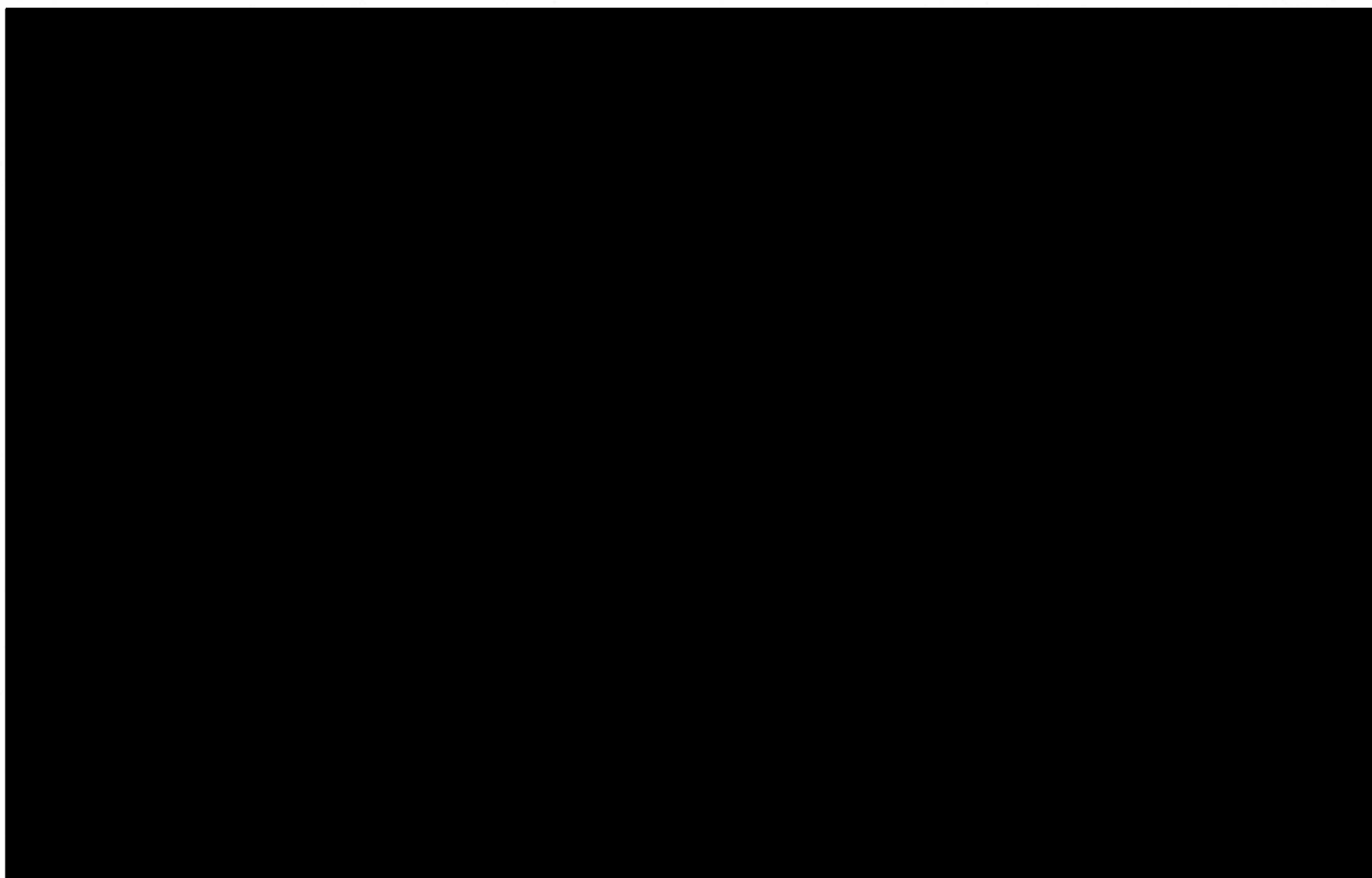


Yours sincerely



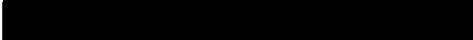
Please include your original email in your reply.

Any general advice included in our response has been prepared without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider its appropriateness.



[THREAD ID:1-BETIPA6]

-----Original Message-----

From: 

Sent: 16/03/2017 03:42:06 PM
To: [REDACTED]
Subject: Feedback - Make a complaint

What would you like to do:

complaint

Comments:

Please email me with details as to where I can email my detailed complaint.

This form was incompatible with my voice dictation software and it also prohibits copying and pasting the complaint from Microsoft Word into this box.

Name: [REDACTED]

Customer No: *

Date of birth: *

*

Phone number: Mobile 0*

Email: [REDACTED]

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: Monday, 3 April 2017 9:03 AM
To: [REDACTED]
Subject: [REDACTED] Foreign transaction fees

Dear [REDACTED]

Our reference : [REDACTED]

Thank you for contacting us in relation to your recent Foreign transaction fees charges with [REDACTED]. We have now completed our review of your concern.

Our understanding of your concerns relates to how we charged and apply the Foreign transaction fees, you have requested for an explanation for the following;

1. The New Zealand charge for the actual purchase;
2. The buy/sell exchange rate used by [REDACTED] at the time of the transaction and used to make the conversion to Australian dollars;
3. The [REDACTED] exchange rate for that particular day to 2 decimal places (kindly note I have suggested the [REDACTED] exchange rate because [REDACTED] is the company used in relation to your [REDACTED] [REDACTED]);
4. Any additional fees and charges and the means by which those are calculated.

Presuming you will claim that the fees and charges are both reasonable and proper, would you kindly direct me to the particular provisions in your credit card terms and conditions that specifically authorise you to make:

1. Charges in excess of the market transaction rate on foreign exchange dealings;
2. Fees and charges in relation to foreign exchange dealings.

Bank's Response

[REDACTED] does not convert purchases made in a foreign currency to Australian dollars, it is [REDACTED] that converts the purchase before they send the information to us. [REDACTED] does not profit from the conversion rate.

Here is one of your transactions on card # [REDACTED] for which we can describe how you can access the information that you ask for.

[REDACTED]

By working backwards with the above example:

- [REDACTED] charged you a total of \$48.57 for the transaction
- This included a 3% Foreign Transaction Fee of \$1.41
- Transaction was converted by [REDACTED] from NZ \$50.00 to AUD \$47.16 (\$48.57 - \$1.41)
- Charge in New Zealand dollars was \$50.00
- Conversion rate used by [REDACTED] was 1 NZD = 0.971401 AUD

"Foreign Transaction Fee" is a fee charged to you by [REDACTED] and is a percentage of the Australian dollar value of a foreign transaction. The percentage varies depending on the applicable credit card scheme.

Foreign transaction fee A Foreign Transaction Fee is payable as a percentage of the Australian dollar value of any Foreign Transaction. The percentage will vary depending on the applicable credit card

scheme:

1. Transactions in foreign currency

- [REDACTED]
- [REDACTED]

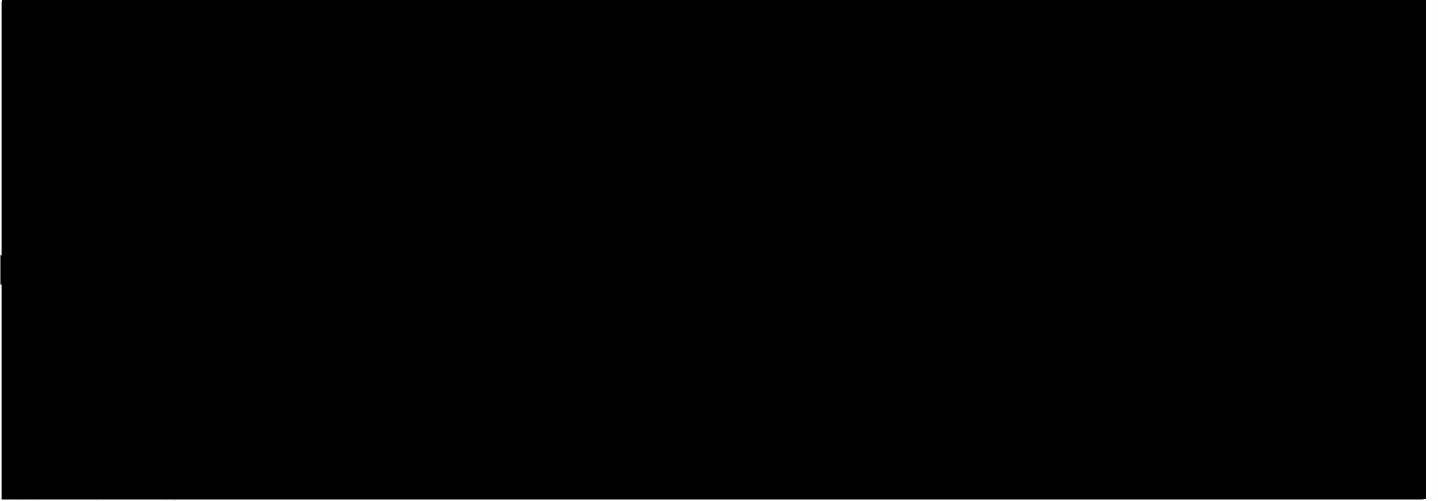
Your Conditions of Use includes the following section:

4.3 Foreign Transactions

(b) Foreign Transactions in a currency other than Australian dollars

If a [REDACTED] is used to make a transaction in a foreign currency on your Card Account, [REDACTED] the transaction, [REDACTED] when it processes the transaction.

Here are some useful links for you:



Yours sincerely

[REDACTED]

Customer Manager

