

Credit Card Foreign Transaction Fees

Members considering opening new credit card accounts, or evaluating their current spending habits, would be wise to consider the fees that some credit card companies charge for transactions made in foreign currencies.

For overseas card users, both MasterCard International and Visa International convert the transaction into a U.S. dollar amount in accordance with their own company currency conversion policies. Both companies then customarily increase this conversion rate by 1 percent. Some issuing banks then increase the conversion rate provided by either MasterCard or Visa by an additional 2 percent.

USAA and the State Department Federal Credit Union confirmed that they do not charge a fee on top of what Visa and MasterCard charge. Some banks may have arrangements with either MasterCard or Visa not to charge the customary fee. Some banks do not show a breakdown of the fees for each transaction, only the total fee charged for transactions made during a cycle, making it harder to track the fees charged.

American Express practice is to determine the currency conversion rate and then charge 2 percent of the transaction balance as a fee.

The Discover Card Web site explains how it bills transactions in foreign currency. The explanation is at www.novusnet.com/discover/data/faq/outside_us.shtml. Discover Card states that it has no currency conversion fee.

It is important for members to read their card-member agreement to find all fees and charges associated with the use of their credit cards. Some cards do not list their foreign transaction fees in abbreviated materials sent to entice you to sign up, but the information may be found in initial disclosure statements. When choosing what credit cards to use overseas, AFSA advises you to make an informed decision! □

BOOKFAIR Donation Time

The Associates of the American Foreign Service Worldwide need your donations for BOOKFAIR, an October event for 45 years. Artwork, rare books only, stamps and coins would all be gratefully accepted. Handicrafts from around the world are especially welcome, as such items are extremely popular every year and sell quickly.

In the Washington area, donations may be dropped off at the Bookroom, located in Room B816 of the Truman Building, Monday through Friday from noon to 2 p.m. For other options, contact Bookroom Manager Robin Jones at (202) 223-5796 or bookroom@aafsw.org. Art objects may also be brought to the bookroom. To request a pick-up of art objects, please contact Dianne Bodeen at (703) 536-2235 or artcorner@aafsw.com.

If you are overseas, please do not send books. Art objects may be pouched to: "BOOKROOM, B816 HST; DOS — by unclassified pouch."