

Keeping your money safe abroad



Sainsbury's Bank

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Looking after your possessions when you're travelling takes a little bit of planning. Being prepared and deciding if you're going to use cash, prepaid currency cards, debit or credit cards is a good place to start.



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Ways to spend abroad

Cash

Whatever your destination, it's useful to carry some of the local currency. Smaller denominations can be safer – they're more discreet and less likely to attract unwanted attention.

Dividing money into small amounts and keeping these in different places may prevent you from losing large sums of currency.

There are items that can help you keep your money safe while travelling, such as money belts, neck pouches and slash-proof, anti-theft bags. For larger amounts of cash and items such as passports or travel documents, use the safe provided at your accommodation.

If you're unsure what currency you need at your destination, [this table of foreign currencies](#) might help. Rather than exchanging money or buying foreign currency at the airport or abroad, planning in advance will allow you to find better rates. Be sure to use a registered trader, such as a bank or exchange bureau.

Prepaid currency cards

Before you travel, you can load a currency card with a certain amount of local currency. This will enable you to make ATM withdrawals when on holiday – but keep in mind that some card issuers may charge a small fee for this.

You can also use a currency card like a debit card, to pay for purchases wherever you see the Mastercard or Visa logo. When your card starts to run low on funds you can reload it, using telephone or online banking.

Debit cards

Your debit card can be used abroad to withdraw cash from foreign ATMs in the local currency, and to make purchases.

A non-sterling cash fee may apply each time you use your debit card, although machines within your own bank's global network may not charge you. You could also be charged a non-sterling transaction fee every time you make a purchase, or if a refund is applied.

Credit cards

As you don't need to have the money upfront to pay for purchases made with a credit card, it can help to manage the cost of large, unexpected or emergency purchases.

Under [Section 75 of the Consumer Credit Act](#), you are protected for credit card purchases where a single item or service costs between £100 and £30,000, even when you use your card in a transaction with an overseas company.

If a flight you booked is disrupted, you may have some security if you bought your tickets using a credit card. Note that the rules around what constitutes a 'single item or service' can be confusing when it comes to flights. If you buy a return airline ticket for £100, you will be protected – but if you buy two single flights that each cost £50, you won't be covered by Section 75 (even if you buy them together).

Card issuers that operate '[chargeback schemes](#)' may offer extra protection, so it's useful to keep this in mind when shopping around for credit cards.

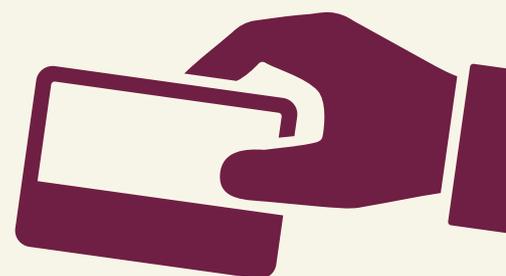
You may also be able to withdraw cash at an ATM using your credit card. This could be useful as a last resort if you run out of money and you need some local currency fast. Bear in mind that this may incur interest charges.

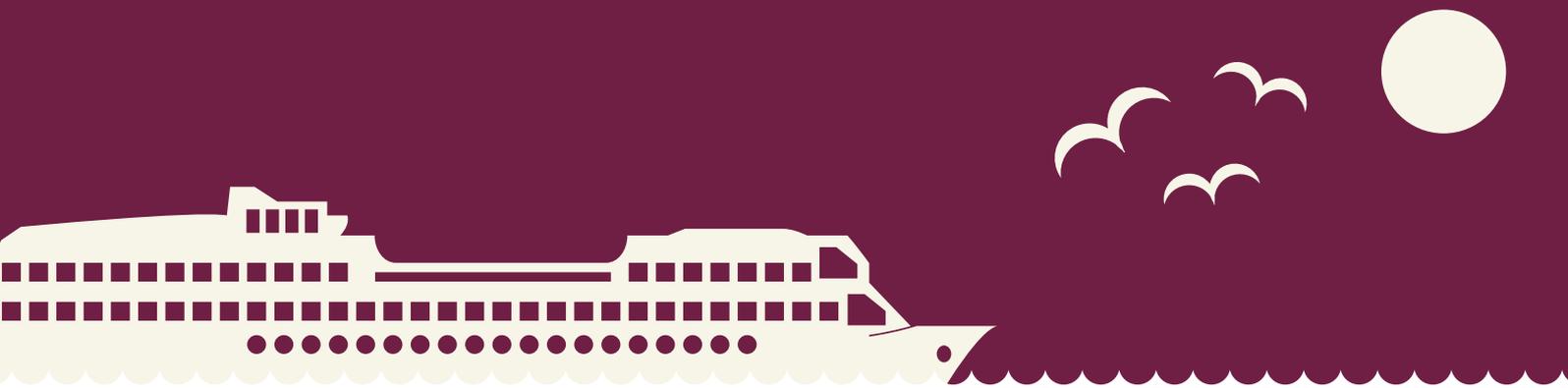
Pre-authorised bookings

When making a reservation – for example, for a hotel or holiday let – a credit or debit card may be 'pre-authorised' for the full amount of the booking. This is a check to make sure that the card you are using is valid and has not been reported as lost or stolen. The actual payment might not be applied to your card until a later date.

Before you go

To prevent genuine transactions from being stopped, it's a good idea to let your provider know in advance if you plan to use your card abroad, or if you expect to make an unusually large purchase. Make sure your card provider has up-to-date contact details for you.





Using your card abroad

Keep your card and details safe

Keeping your card safe can help protect you from liability if your card is used fraudulently.

- Never write down or tell anyone your PIN
- Make sure you get the receipt whenever you pay by card, and dispose of it carefully
- Bring a note of relevant overseas helpline numbers when you go away
- Tell your provider immediately if your card is lost, stolen or used fraudulently

Using contactless cards

Wherever a foreign retailer accepts EMV-based contactless technology, you can make purchases using contactless payments, just like in the UK. EMV stands for Europay, MasterCard and VISA and sets out the global standard for credit and debit card payments.

If you don't see the contactless symbol in a store that accepts cards, you may still be able to make payments using the normal chip and PIN or swipe and sign methods.

Just like in the UK, it's important to exercise caution when using contactless technology to shop abroad:

- Always keep your card in a wallet
- Only use one card when paying and keep other cards away from the terminal

Use your card wisely

It's important to be cautious and ensure you are banking or [shopping online safely](#), especially when using public wi-fi networks. Even transactions made using your own laptop or mobile device may not be entirely safe as cyber criminals could try to intercept payment details or personal information.

Make sure no-one can see the PIN you enter at an ATM or point of sale terminal.

Protect yourself against fraud

If you use your card to withdraw cash from an ATM, purchase tickets from a vending machine, or swipe it at a petrol station, you may be at risk of 'skimming' – a common type of counterfeit fraud. Skimming occurs when your card's magnetic stripe data is copied, using a device that is fitted to a cash machine or PIN pad.

- Avoid using cash points that appear to have been tampered with
- Always shield your pin
- If your card is retained, do not enter your PIN again; call your provider immediately to cancel the card, without leaving the ATM
- Do not let your card out of your sight. When paying a restaurant or bar bill, waiting staff should bring the card reader to you



Fees and charges

Check the small print to understand the fees and penalties that apply when using your card(s) abroad. Exchange rates are often a reason for applying charges.

If you use a credit card outside the UK, for example, you may incur overseas spending charges for each transaction.

Card issuer charges that **may apply** when using cards abroad:

Prepaid currency card

- Load / reload fee
- Non-sterling cash fee (i.e. withdrawal)

Debit card

- Non-sterling cash fee (i.e. withdrawal)
- Non-sterling transaction fee (cash or purchase)
- Non-sterling purchase fee (i.e. in a store)
- 'Load' added to exchange rate

Credit card

- Non-sterling cash fee (i.e. withdrawal)
- Non-sterling transaction fee (cash or purchase)
- 'Load' added to exchange rate
- Unexpected interest on cash advances

It's also worth remembering that there may be a fee if you exchange currency while abroad. This could be because of commissions or exchange rates.



Avoiding theft while travelling

Keep all personal belongings safe

Holidays should be about relaxing and having fun, but it's still important to keep your valuables safe at all times. If you have access to a room safe, it's best to use it for storing passports, currency, cards and any other important belongings.

Tips for avoiding pickpockets

Purse-snatching and pickpocketing tend to be more common in places where tourists gather. Try to stay aware of your belongings, especially in areas where you are most vulnerable, such as busy tourist attractions. Consider the following:

- Stay vigilant in crowds and steer clear of commotions
- Leave your valuables in your hotel room
- Wear a money belt
- Place an elastic band around your wallet to prevent it from sliding out of your pocket smoothly
- Carry a dummy wallet in your back pocket
- Carry your bag or purse in front of you
- Secure your bag

Tourist scams

Before you set off, research your destination to check whether it's known for any particular scams. Local embassy websites as well as travel forums can be useful sources of information. Some common scams to watch out for include:

- Locals offering flowers or friendship bracelets, then demanding payment
- Locals offering to take a picture, then asking for payment – or worse; running off with your camera
- Taxi drivers deliberately taking longer routes than necessary
- Cashiers pretending to be on the phone, while taking a photo of your bank card
- Someone “accidentally” spilling something on your jacket and offering to help clean it in order to go through your pockets

In case of theft or loss



How to report a loss

If your passport, money, cards or any other belongings are lost or stolen on holiday:

- Report the loss to the local police straightaway
- Tell your card provider(s) immediately
- Ask for a written police report; it's likely you will need it to make a travel insurance claim
- If [your passport is lost or stolen](#), contact your embassy or consulate as soon as possible
- They'll be able to arrange replacement passports or emergency travel documents for you

Notifying your card provider is especially important in the case of credit cards. Failure to report the loss immediately may leave you liable for at least the first £50 of any fraudulent transactions.

Getting a replacement

Reporting the loss of a prepaid currency card immediately may mean that you can get a replacement with the full amount of any unused funds loaded on it.

- Once notified, your provider will block the card and either:
 - send out a replacement card
 - provide you with an emergency cash replacement
- Note that a courier fee may apply

For credit and debit cards:

- Once notified, your card provider will cancel your card and send you a replacement
- This will usually be sent within 24 hours, but sometimes it can take three days or longer
- The replacement card(s) will be sent to your home address, not your location abroad

Insurance cover

Depending on the level of policy you choose, you could be covered for the loss or theft of a certain amount of cash. How much money you can claim for (if any) may depend on your age (under or over 18) and on the terms of your travel insurance policy.

Making a claim for losses

Contact your travel insurer as soon as possible to make a claim. You will need to give your insurer all of the details of the loss or theft – often including a written police report.

Bear in mind that your insurer will expect you to protect your money and personal belongings at all times. If you try to make a claim without having taken proper care to ensure the safety of your valuables, you may be unsuccessful.



Holiday checklist



How to have a stress-free holiday:

- Only carry small amounts of currency
- Consider using a money belt or neck wallet
- Tell your card provider you're going overseas
- Check that your card provider has up-to-date contact details for you
- Enjoy the protection you get by using a credit card
- Research travel insurance cover options before you go on holiday
- Keep card helpline numbers handy
- Photocopy your passport and driving licence
- Take a photo of your belongings before you travel in case you need to make a claim
- Use your hotel safe to store valuables

- 1) <http://www.sainsburysbank.co.uk/travel/foreign-currencies.shtml>
- 2) <http://www.legislation.gov.uk/ukpga/1974/39/section/75>
- 3) <http://www.sainsburysbank.co.uk/library/default/resources/credit-cards/credit-cards-explained.pdf>
- 4) <http://www.sainsburysbank.co.uk/money-matters/shopping-safely-online.shtml>
- 5) <http://www.sainsburysbank.co.uk/travel/losing-documents-abroad.shtml>

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