

# WORLDFIRST

\*~Based on £1k, £2K, £5K, £10K, £20K, £50K, £100K, £200K, £500K amounts from GBP to USD, GBP to EUR and GBP to AUD. Prices as of 09/03/2021.

^Average

With transparent pricing our customers and potential customers can clearly compare WorldFirst to our competitors.

## 1. How does our pricing compare to banks?

WorldFirst price comparisons are taken from High Street Bank's websites at specific dates and times using a third-party supplier called FXC Intelligence.

The comparison table shows how much a customer could save sending payments internationally compared to High Street Banks.

## 2. The margin

The margin is the percentage difference between the exchange rate we buy our currency at and the rate at which we sell it to our customers. At WorldFirst take a smaller margin than most banks and pass this benefit on to our clients, making all our transfers simpler and more transparent.

High Street Banks may have variable margins across different currencies, whilst WorldFirst now has fixed margins agreed ahead of time and therefore easier to compare. This means that the 'transfer fee' and 'rate' you see in the comparison table might be slightly different to the ones each provider currently has on their website.

## 3. How is the comparison calculated?

For each pricing band we look at the FX margin applied and compare it to our fixed bands. We only compare costs for online transfers from bank to bank. Telephone banking, paying from a branch or paying for a transfer via credit card are usually more expensive.

When researching and making comparisons it is important to know if any additional transaction charges will be applied such as payment fees or account management fees. WorldFirst applies payment fees as per the schedule above. If any fees are applicable these will be made clear to you in advance.

## 4. The exchange rate

The 'exchange rate' represents the estimated exchange rate for each provider, in this case High Street Banks. Here's how we work out that estimate:

With each pricing we look at the FX margin and the fee applied. This gives us the total FX margin. This is what we use to compare against our fixed bands of 0.5%, 0.25% and 0.15% and 0.6%, 0.35% and 0.25% respectively. When researching or comparing it's important to take both, the FX margin and the fees applied, into account as there may be a lower FX margin but higher transfer fee or vice versa.

We also check the mid-market rate. This the average exchange rate across the market. We are then able to compare the fee and FX margin to work out the fully loaded cost to compare against, or the total FX margin.

## **5. How we work out a comparison for exact amounts that we haven't collected**

When we collect data from providers, we analyse the basis of price points across our three pricing bands. For example, we use different "amounts" such as £1,000, £10,000, and £500,000 where possible. WorldFirst fixed margins are across 28 core currencies, which we regularly compare. However, for this example we have focused on the top currency pairs: GBP -> USD/ EUR/AUD/HKD. This means that, for some providers, the amounts we entered might not be the same as the one you've just seen in on their website.

Some providers offer better exchange rates and smaller transfer fees when customers are moving larger sums of money. We make sure we're fair to other providers by looking at the nearest amounts that we've got data for. The table shows the cheapest transfer fee and best exchange rate from the nearest amounts.

## **6. Regulation**

We comply fully with all relevant regulations and ensure your funds are appropriately segregated from business funds in line with regulatory requirements.

World First UK Ltd are authorised by the Financial Conduct Authority (FCA).