



**6 POINT CHECKLIST  
FOR CHOOSING AN  
INTERNATIONAL  
PAYMENTS PROVIDER**

**C**hoosing the right FX specialists can be tricky. As a business, you have plenty of choice when it comes to selecting a specialist provider for your cross-border payments and currency risk management solutions. However, because your FX provider will often handle vast sums of your company's money, it's vital to carry out due diligence to the best of your abilities. Here, we cover some key things to look out for, and where to start, when choosing the right provider for your international payments.

## 01 Check the security of your payments provider

It's important to check whether the FX provider you're reviewing is authorised and regulated by the local regulatory body for the provision of payment services. Also, check with your provider that your company's funds are being appropriately earmarked as your own, on your provider's financial statements.

## 02 Do your research around international payment FX rates

Foreign exchange rates are one of the more challenging areas to assess when working with a new provider. When it comes to pricing, we recommend you look closely at:

- **Transaction fees:** international payments providers may charge a transaction fee to make an international payment. Many may offer what looks like free international payment fees then "bury" the cost in the FX spread. Just be aware of the different pricing models providers use.
- **Exchange rate:** Look for an international payments provider that offers a fair exchange rate based on your requirements; cheaper isn't always better.

## 03 Check how broad their FX product portfolio is

Check what type of FX products they offer. Having access to a broad portfolio of FX solutions may be important if you want to develop a robust hedging strategy. If your needs are fairly simple, you may only need access to spot transactions. However, if you are a larger business with more exposure to currency, a range of products could be important.

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## Ask about international payment technology

Advances in technology have meant that more businesses are now making and receiving payments online. If you like initiating and managing your transactions online, ask if your provider has a payment platform that includes:

- Secure login to help protect you from fraud
- Reporting functionality so you can easily get an audit trail
- Live FX rates so you can track the exchange rate
- Ability to store beneficiary details online
- Beneficiary email notification so your payees get told you've made a payment

If you send many international payments a month, you may also want to consider whether your provider's platform can be integrated with your in-house system. A feature such as file upload capability can help you seamlessly import payments files from your ERP or accounting system. This reduces the need for manual payment entry and can therefore lead to fewer errors. You may want to see if they offer an API. This means you can integrate your provider's functionality into your existing business infrastructure, giving you access to live exchange rates and payment capabilities.



Not all FX specialists offer the ability to send third party payments. If you need this option, it may make sense to work with a provider who can facilitate currency exchange and send funds on your behalfs. Not all providers can send funds to all destinations in all currencies. If your business makes payments to exotic destinations in emerging market currencies, check that your provider can do this. Some providers will have specialists with expertise in exotic currencies.

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## Look into their payments capabilities

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## Ask for client testimonials

You need a provider that understands your challenges and has demonstrable experience in solving them. Established providers should have client testimonials. Ask to speak with existing clients from similar industries. Along with giving you piece of mind, speaking to a peer can help you figure out whether the payments provider will be a good cultural fit for your organisation. There's a lot to consider when looking for a new international payments provider. You will undoubtedly get calls from payment providers on a regular basis. We always recommend carrying out due diligence before changing providers to protect your business from unnecessary risk. If you'd like to talk more, you can speak with one of our specialists today.