

Title:

Offshore Credit Cards

Word Count:

402

Summary:

Until a recently, the typical offshore investor did not have access to the payment convenience and flexibility associated with a credit card-at least not from the standpoint of accessing and spending the money he or she had safely placed offshore. Consider the predicament of yesterday's offshore investors seeking to access smaller amounts of money residing in their offshore bank accounts-say, under \$10,000. If those individuals wanted to use offshore funds to make a purchase while living in North America or traveling abroad, they would have to personally withdraw funds from their offshore bank or have money wired to bank accounts where they lived.

Keywords:

accept card credit payment,offshore credit card,Accept Credit Card,accept business card credit,accept credit cards,air miles credit card,airline card credit mile,airline card credit reward,airline mileage credit card,airline miles credit card,Airlines Credit Card,American Credit,american express credit,application capital card credit one,apply card credit online,apply card credit uk,apply for a credit card,apply for credit card,bad credit,best credit card,best credit card rate,best credit card rates,best credit cards,business credit,business credit card,capital one credit card,

Article Body:

Offshore Credit Cards

By: Geoff Thomas

Until a recently, the typical offshore investor did not have access to the payment convenience and flexibility associated with a credit card-at least not from the standpoint of accessing and spending the money he or she had safely placed offshore. Consider the predicament of yesterday's offshore investors seeking to access smaller amounts of money residing in their offshore bank accounts-say, under \$10,000. If those individuals wanted to use offshore funds to make a purchase while living in North America or traveling abroad, they would have to personally withdraw funds from their offshore bank or have money wired to bank accounts where they lived.

Offshore credit cards have greatly facilitated the use of money held in offshore accounts. Offshore institution-branded Visa and MasterCard credit cards have

ushered in a whole new realm of payment flexibility and convenience for today's offshore investor, but they are products that still require careful consideration and research. How do they work and what do they cost? How secure and private are they? What are the possible pitfalls and ramifications associated with using these cards?

How they work

Offshore credit cards share the same characteristics as ones in your own Country. They all carry a Visa or MasterCard label, are accepted at more than 14 million locations worldwide and provide cash advances at several hundred thousand automatic teller machines and banking institutions around the world. Despite their similarities, a significant difference exists between domestic and offshore credit cards. The vast majority of reputable offshore credit cards are "secured" cards. They require offshore investors to provide a security deposit with their application for the card and therefore do not require offshore investors to go through credit checks.

To increase a credit line, investors simply need to increase the amount of their security deposit by the appropriate factor, either by sending a draft or by wiring funds to the card company. The requirement for a security deposit contrasts with a domestic credit card and effectively renders these products not credit cards per se. They are rather hybrid cards that access a line of credit that is fully secured with one's own money. Most of the card companies do not refer to their products as "credit cards" but either as "offshore cards" that provide the "benefits and acceptance of a Visa or MasterCard" or "offshore cards" that provide investors with access to "offshore collateral investment accounts."