

MONEY, MONEY, MONEY MATTERS + Basic TIPPING Information

1. GENERAL MONEY MATTERS

Local Currency: Chinese currency is called “Renminbi” (Ren Min Bi) abbreviated as “**RMB**” (meaning “people's currency”) and is also known as “Yuan” (Yoo-Awn) – similar to our “dollar” and “buck” – and the terms **RMB** and **Yuan** as well as **CNY** are interchangeable. The very commonly used 100 RMB is mostly in shades of red & pink:



Sample of 100 Yuan or 100 RMB or 100 CNY

It is denominated in **yuan**, referred to as **kuai** in everyday speech. The yuan is divided into **10 jiao** (colloquially called **Mao**). Each jiao is divided into **10 fen**. There are large notes for 100, 50, 5, 2 and 1 yuan and small notes for 5, 2, and 1 jiao, and coins and notes for 5, 2, 1 fen and 1 yuan.

There is no limit to the amount of foreign currency you can take into China but US Customs requires you to declare any amount of \$10,000 or more before you depart the US. Traveler's checks are changed at a slighter better rate than cash. All major American traveler's checks are accepted by the **Bank of China**. However, since fake ones can now be created easily on a computer, we use this option as a **backup only**. International credit cards may be used to draw cash at larger branches and for payment in international hotels. In most other cases only cards issued in China are acceptable.

The money exchange rate in China is currently set by their government and is usually the same at all locations (airports, hotels, banks, boat) with little or no gouging and little or no extra fees. As a result, we personally never choose to exchange any USD (US Dollars) into the local currency until we arrive in China. The hotel front desks (and the ship front desk) are all equipped for money exchange and you can get local currency after you check into your hotel on your first night or in the morning before departure on the first day of the tour. You can also exchange some money at the San Francisco International Airport prior to going through security for your departure if you want to have a little ready Chinese money in your pocket before you leave the US, but the exchange rate will not be quite as good as it will be in China. You will find ATM machines are easy to find and fairly easy to use in China. We use them for withdrawing local money as needed. The **Bank of China** is also excellent when available. **Our hotel in Shanghai has a special ATM machine near the escalator that will convert US bills (I forget the highest denomination it will accept) into China bills and coins.** Two great websites for checking rates are www.oanda.com/currency/converter/ and www.xe.com. The last time I checked (2/17/2019), the rate was:

1.00 USD = 6.76372 CNY [CNY or RMB = China Yuan Renminbi]

1.00 CNY = 0.147848 USD [USD = US Dollars]

<http://www.xe.com/currencyconverter/convert/?Amount=2000&From=CNY&To=USD>

An easy exchange ratio to remember at the present that is rounded off but still **close** to accurate is:

1 Yuan = less than 15 cents

10 Yuan = less than \$1.50

20 Yuan = less than \$3.00

100 Yuan = less than \$15

1000 Yuan = less than \$150

\$1 = less than 7 RMB, \$10 = less than 70 RMB, \$100 = less than 680 RMB

Make an extra copy of this page & cut this out to carry it for a quick reference.

I purchased a great little **money converter** a few years ago and use it to negotiate with vendors. First, I load in the current exchange rate as shown in each hotel lobby or on the ship. They punch in their price & then I punch in what I want to pay - breaks the language barrier quite nicely - and you can convert back & forth between both currencies by pre-setting the rate so you'll know what you are actually paying – no math skills required! I have not seen that converter since but know there are others out there available from travel stores and web sites. There are currency converters on **Amazon**, etc., and **several apps one can download for a smartphone, iPad, or etc.** (I like Oanda for Android devices and the XE Currency App for my iPad Air 2 and Windows platforms).

Travelers' Checks - We still always carry travelers' checks - but **only** as a back-up and have used them only once in all these years. With today's clever computers and printers, some foreign banks are now reluctant to cash them and some hotels are suspicious of any brand other than "American Express" (which are easily verified). You should check to see if your alternate choice of brand has any information on that problem. Our tour operator, K C Ma, has promised that all hotels and the ship are prepared to cash travelers' checks for you.

ATM machines are available at the airports and in or near the hotels and provide an easy way to replenish your local currency as needed. Larry can always be depended on to have scouted out the nearest ones. The one concern is that they could run out of money quickly if we all hit them at the same time. We have always used them successfully but there are extra fees charged, often by the banks on both ends – check the rate YOUR bank will charge as well as what the maximum per day is for a withdrawal by each of you. **Be sure to notify your bank of your upcoming trip to China and the date span of the tour - PLUS establish the daily withdrawal limit you desire, per card - with your bank at least one week before you depart.** I suggest you let them know that you are making note of the date, time, and person with whom you are speaking as a record to prove you advised them. We have given a timely notice and still had the system fail us while in China. This is why we **each** carry 2 different credit cards along with travelers' checks as a back-up.

CASH: We usually start with close to \$300 **cash** on **each** of us in local currency – obtained from the hotel ATM machine after arrival - and replenish using an ATM machine as we spend. Larry admits to having more – I don't ask. Some of the local ATMs in China have a daily individual request limit of 2000 RMB (which is what you would enter on the ATM screen as your request). This means the most you could get pp per individual ATM card each day which is less than \$300 USD (as of 2/17/2019) - most bank ATM limits permit more than \$300 pp per day, but you will be limited by the max permitted in CNY by the ATM machines you use in China. Larry and I carry separate ATM cards so we can double that amount if ever needed.

Major credit cards are accepted by all major establishments, museums and shopping venues, plus all the hotels and on the cruise ship. Typical of cruises, everything purchased or ordered (beyond what is included as standard on the cruise) will be charged to your cabin by signing a slip each time - and then pay the final bill at the front desk on the last night after the on-board farewell banquet. The three main shore excursions, while optional, are included in the tour price. You may opt for other excursions which may be offered as well. Tipping, of course, is extra and is covered below - and also in the final tour package. **Detailed sheets will be provided to guide you.**

Call the credit card companies well before you leave to advise them of your travel dates for China so they won't shut the cards off thinking they are stolen – again, make a note of the date and time called and the person who took the information. It is a good idea for each person to select two different cards and each one carry them in two separate but safe places. Then **make copies** of each and exchange these copies with your spouse or roommate. Be sure to record on each copy the **international number** to call if your card goes missing (usually found on the back of each card – I just copy both sides of each card and verify that I can read the numbers). **Check with your credit card companies to see what fees they will charge for usage in China as this will vary from card to card and you may wish to choose cards with the lowest fees for obvious reasons.**

DEBIT CARDS – NO! I do **NOT** recommend you use a debit card for any **purchases or payments** – **use ONLY for obtaining local cash from ATM machines.** Since the money is immediately transferred, it is much harder to later correct any errors you may discover. Use a credit card instead since it has a much better protection for you.

Back-up Copies: While you're at it, make a copy of your **ATM card** and your **passport main page** and **China visa page** as well as your **credit cards** and **exchange all those copies with your traveling partner.** Remember the **Travel Aire** rule of "Divide and Copy" - actually it should be "Copy & Divide" - so if you lose something, the traveling partner will have a copy of it to help you, and vice versa – just be sure that the copies are in completely separate and safe locations and not with the items. I will have scanned copies of everyone's main passport page plus the China visa stamp (later) into a folder "in the cloud" so I will have access to it in China should anyone lose their passport. This has never happened but is worth the effort as a back-up.

Pack a large manila envelope on the bottom of your **carry-on suitcase.** This can be used to store your various papers such as all those copies for your partner. I place my manila envelope underneath (inside) the zippered lining of the carry-on bag so both Larry and I know where to find it. In your tour packet you will find a smaller manila envelope in which to store all your purchase receipts (may need for US Customs) which you should keep in your personal tote that you keep with you every day as you tour or in your carryon bag. Keep notes of purchases.

You will find in your tour packet a clear sheet containing an extra copy of both the hotel sheet and the itinerary sheet. Add to it (between the pages) a copy of your basic ID (full name as shown on passport) – or a photocopy of your passport or driver's license to aid in retrieving a lost bag should that extremely rare event ever occur. Place this clear sheet holder on top of the main section of your checked bag.

The following admonition will be repeated as often as necessary to avoid disaster:

***** **NEVER, NEVER, NEVER pack your passport** - the safest place to carry this is in a waist and/or neck travel pouch that can be worn under (or on top of) your outer clothing – especially on the days that we will be flying to our next destination and also on our final day - when we fly home. Leave it in the hotel room safe and with the ship's front desk safety deposit box otherwise. These passport holders can be found online or in any travel department, drug store, Walmart, or via Magellan's catalogue, etc. It is OK to store all important papers, passport, credit cards and money in your hotel room safe or in the safety deposit box available on board the cruise ship at the front desk. **Your passport MUST be on your person and ready for use on each of the days we fly or take the train to the next city or before we fly home.** Check to be sure you have them at the ready **BEFORE leaving the hotel and boarding the bus for each airline flight.** Airlines have converted to the new E-tickets stored only in their computer and the guides will handle all that for you and then provide you with your boarding card prior to each flight's check-in and boarding process. But **NEVER carry your passport on any "tour-only" (non-flying) days or when shopping – keep it in the hotel room safe. Folks on other tours have lost theirs to a pick-pocket and it is a NIGHTMARE to get a replacement passport AND a new visa.**

2. **TIPPING and using US Dollars** -----

We do not handle the tipping on behalf of the whole tour group. We tried that in 2004 and worried every day about being responsible for such a large total amount plus the daily calculations to adjust if someone did not go with the group that day, etc. We have tried other methods and decided that the tipping is best handled by each individual or couple. But to make this easier on you, I try to give you thorough guidance.

I will be providing you with a TIPPING chart and a summation in your package (and E-mail attached ahead of that) PLUS little pre-printed sticky labels to affix to whatever envelopes you choose. Some folks use the throw-away billing envelopes from the mail or hotel stationery. I use little self-sealing seed or coin envelopes from Amazon. Downloadable links for these charts and labels are also found at the top of the web page and will also be E-mailed to you and included in your package.

This year I am advised that they once again prefer to receive tips in US Dollars but they must be **free of ANY tears** (including TINY ones) and also **basically unwrinkled** (no dog ears, etc.) and **not defaced** (no ink marks, etc.) to be accepted as tips and for street vendors in China. If they accept anything less, it is almost certain that no bank will exchange it for Chinese money and will be worthless to them. If you get **NEW** US bills, do be careful as they may tend to stick more easily when you work with them. **Give your bank at least one week's notice.**

NOTE: China views TOUR "tips" as expected "thank-you's" at the minimum suggested levels. Both the **guides** and the **bus drivers** are **only paid via your tips** and they must also pay the local tour operator a fee in order to be selected as a guide or driver. These jobs are VERY competitive as well. You will need to ask your bank to give you what they call "**Clean Money**" which means it will be in nearly new condition but **not necessarily new**. You may not want NEW bills as they tend to stick together and are hard to manage. The TIP Summation Chart will guide you as to what to ask your bank for in terms of denominations, etc.

We estimate the average total tipping for the whole tour to be **\$200 total per person for the entire 19-day tour** based on the latest information received from my tour operator - and is based on the usual, normal and customary rate expected. The provided charts and labels will help guide you. We have tried many different ways of handling this and have finally returned to having you do your own tipping rather than pass an envelope (where the total collected too often fell too short of the normal minimum) or pre-collect (the latter required we declare all that cash leaving the US and this **worried** us daily until it was all disbursed). The guides, bus drivers & ship's crew are **paid only by their tips**, so it is important to understand that this is a normal ingredient of a tour in China. The charts and labels show when to expect to have the tip money ready and how I calculated it. If you were displeased in any way, you are free to give little or nothing - and hopefully that will never be the case! You are also free to give more if the performance exceeded your expectations. **Do not seal the envelopes** so adjustments can be made at the last minute. They will accept US \$ bills (in whatever denominations you can use for each person – two people can

combine in order to use higher denomination bills if preferred). **It is unlikely you will be able to get any US money broken down into smaller denominations while in China** – they can only convert it to Chinese currency.

The normal procedure is to give the local **Bus Driver** and the **City/Local Guide** their total tip before leaving that city, etc. – as you exit the bus for the last time for the **Bus Driver** (\$2 per day per person) - and before you go through security at each airport for the **City/Local Guide** (\$2 per day per person). The chart shows how many days' worth is expected for each tipping occurrence. Your **NATIONAL GUIDE** goes with us the whole way and works extremely hard for all of us. They are tipped at the rate of \$3 pp per day and you wait until the day of departure to deliver the total tip pp to your National Guide.

There will be times when they are only with us part of a day and then we will have another set in the next destination on the same day. **While you may feel that you are paying double on a given day**, you are really enjoying the efforts of two sets (one set from each city). In each case the local driver and guide have come out to greet us and be with us and have given of their time and service. When you hand them your tip before leaving them for the last time, you will bring great smiles to their faces. Our experience in China has been that they are all VERY well-trained and **try very hard to please you**. If that is not your experience, you can reflect that in your tip – also, **please let Larry or me** know if there is a problem with anyone. If you encounter a problem with any guide, tell us first and no one else so we can try to solve the problem first. Otherwise they could be immediately fired over one complaint that could have been the result of just a language barrier and/or misunderstanding.

The **boat tipping** is handled a little differently. On the final night, a tip envelope will be left in your cabin or placed on your table following the Farewell Banquet. It will instruct you to tip at a greater rate (\$10 to \$15 per day per person) than we show on our chart. It will also tell you to calculate it based on 5 days instead of the 4 we show. **DO NOT use that envelope and do not use their higher rate suggestions.** Our tour operator has negotiated a lower rate for us for \$8 per day X 4 days (\$32 total per person) for the whole crew.

Several years ago, the total tips submitted by our group fell far short of the basic expectation – even at the lower negotiated rate. We personally had to make up the short fall of about \$1500 in 2006 and then about \$800 short in 2007 – in order to be able to reserve a 5-star ship the next year. We cannot afford to continue to do this at our small mark-up. The ship's management & captain count it all out in front of both of us so we all see it all together. As a result, we began asking all of you to give me your boat tip envelope at some point before the last night of our cruise. I can then check off the list each name and the expected \$32 pp so that on the last night. Then our tour operator and we can present the total tip amount collected in person to the ship's manager with no embarrassment from an unexpected shortage that we personally have to cover. This reassures them of us in their eyes! It is not a chore I look forward to but I do understand the “saving face” aspects. You will see that the whole crew works very hard to please you throughout the cruise, so a \$32 total tip per person is more than reasonable to cover ALL the wait-staff throughout the ship as well as the cleaners and laundry personnel, etc.

NOTE: this does **not** include the **River Guide** (as noted on the tipping chart) who is tipped (in person) the same as a city/local guide is tipped during our land touring at \$2 pp per day X 4 days. The 2 (?) River Guides will give onboard lectures and traveling commentary as we travel through the Three Gorges and its world-famous 5-lock dam. Whether you tip one or both (if there are 2), is up to YOUR experience with either one or both. If you opt for Tai Chi lessons from the River Guide, you should increase your tip to him or her as you see fit. Tipping is also done individually by you if you opt for a wonderful Chinese massage or any other special treatment. **Since we will be boarded FIRST on the cruise ship, you should try to book a massage or hair salon visit ASAP before the ship (& the available appts.) fills with others later that night.**

The boat will assign tables to our group and the waitress assigned to each table will work very hard for you and also hope that one or more of you will be pleased enough to leave him or her a little something extra (in person) apart from whatever share will be received from the total tip presented for the whole crew. That is also up to you entirely, of course, and should be based on your own experience. The boat crew will also be providing entertainment each evening, and there will be marvelous craftsmen onboard creating and selling their wares.