

Financial Trust & Risk Management Solutions for the Global Business Events Industry

Meeting Escrow Inc. | Company Highlights

- Incorporated in 2015
- Based in Canada
- Clients in Canada, USA, Europe
- Corporate, association, 3rd party programs supported globally
- $7 million insurance coverage
- Trust accounts available in 20 leading global currencies
- 100% segregation of corporate funds vs. client trust funds
- All existing clients protected fully through COVID-19 crisis
- Over $10 million in trust transactions

Meeting Escrow Key Contacts



Grant Snider
President & CEO
25+ years experience



Mark Herron
CFO
25+ years experience



Liz Holtby
VP, Operations
25+ years experiences



Norman Applebaum
Accounting
25+ years experience



Nitin Sachdeva
Bus. Dev. – Asia Pacific
15+ years experience



Lynn Lee
Bus. Dev. – Americas
25+ years experience

MEETING ESCROW

Committed to the Business Events Industry

DSA DIRECT SELLING ASSOCIATION

site Society for Incentive Travel Excellence

MEETINGS MEAN BUSINESS CANADA

imex america

Find us on Ariba Network

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How does Meeting Escrow work?



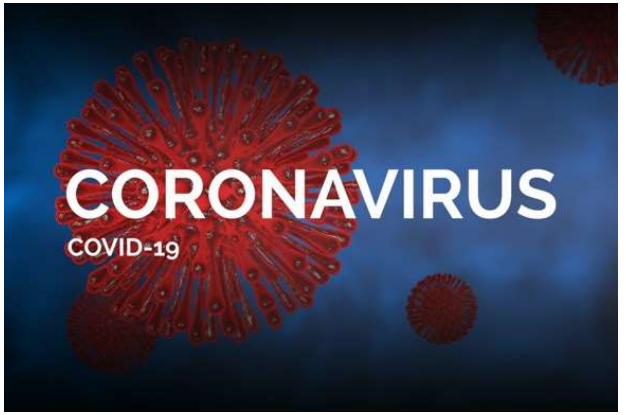
Advance Deposit Escrow Protection

We’re living in a new world of uncertainty and risk

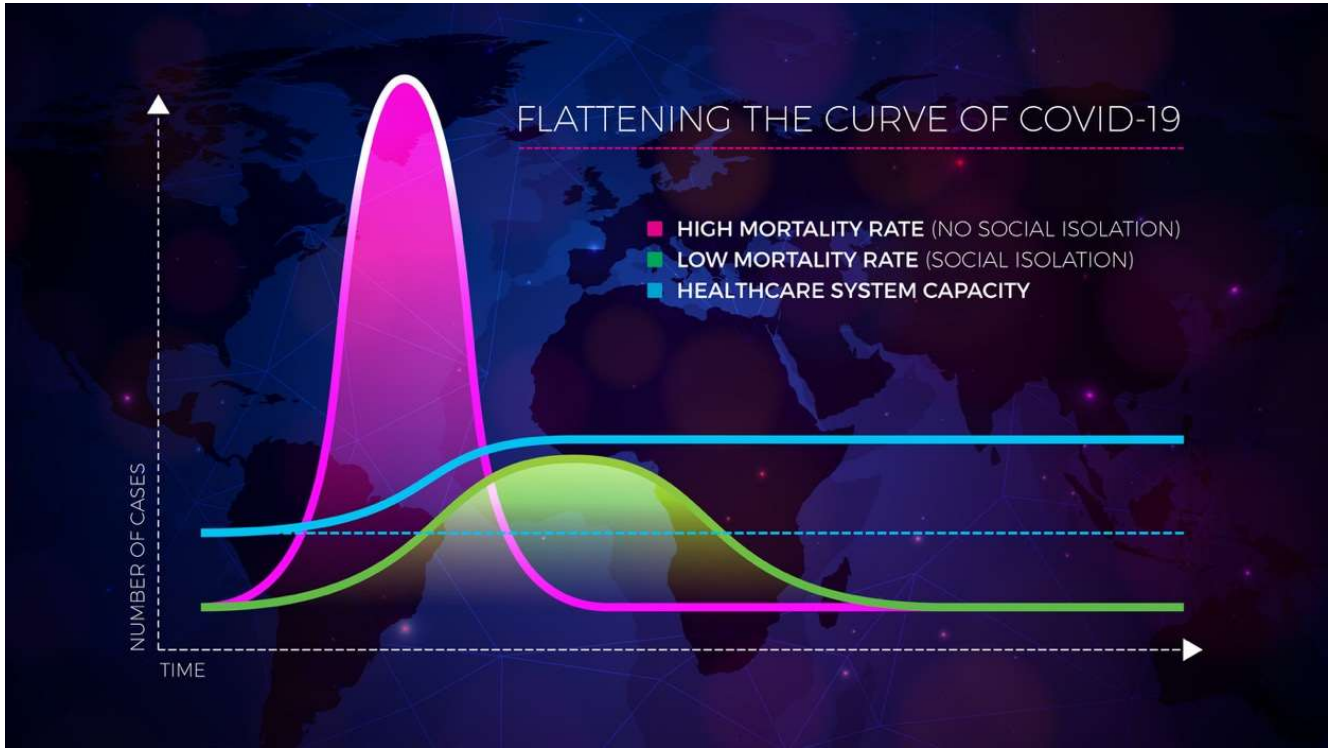








COVID-19 - Beyond “Flattening the Curve”



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Meetings Industry Business Failures

Industry Risk Case Studies



US MOTIVATION BANKRUPTCY

According to news reports, USMotivation sent its employees home and closed operations without warning on a Friday afternoon in February 2017. No company, no matter how large, is immune to business failure.

Read more



THOMAS COOK BANKRUPTCY

According to news reports, Thomas Cook, the 178-year-old British travel company and airline, declared bankruptcy on a Monday morning in September 2019, suspending operations and leaving hundreds of thousands of travelers stranded worldwide
.

Read more



GEP / KRISAM GROUP BANKRUPTCY

In October 2013, according to news reports, GEP initially closed its 7 owned Destination Management Company (DMC) offices, and later the GEP DMC representation network and Krisam Group hotel representation companies, taking with it significant client advance deposits and supplier payments owing.

Read more



BAHA MAR HOTEL BANKRUPTCY

By April 2016, construction for the Baha Mar three-hotel resort complex was halted for nearly one-year following an investor's Chapter 11 bankruptcy. The resort did finally opened, with only one-hotel, the Grand Hyatt. Paying advance deposits on a not-yet-built asset involves considerable financial risk.

Read more

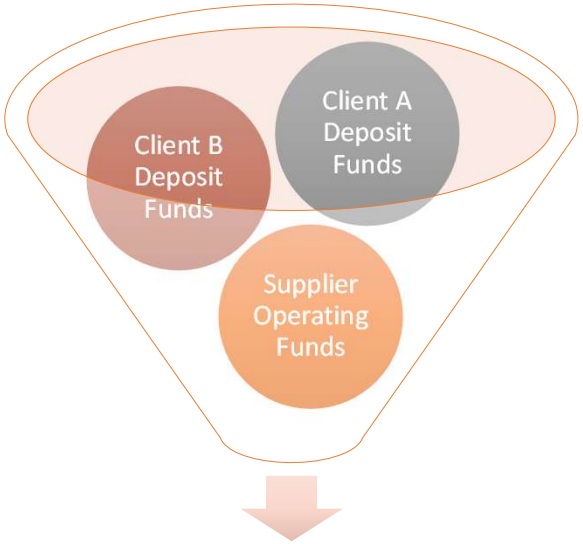


CONGREX PCO BANKRUPTCY

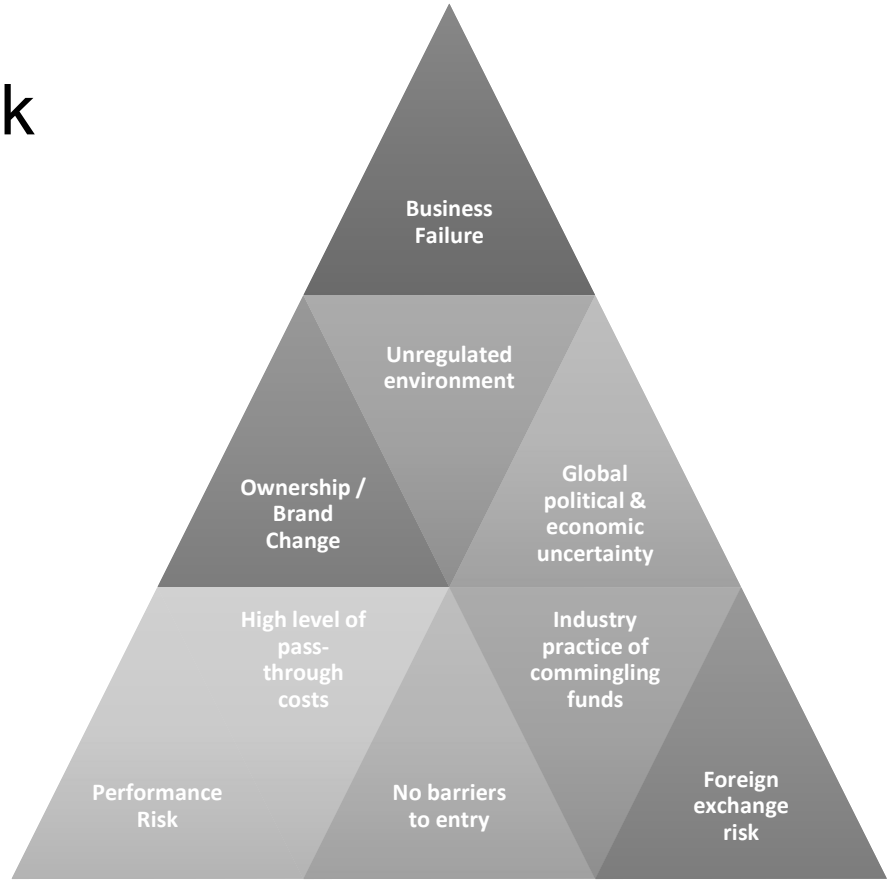
Because of Congrex's size, as one of the largest PCOs in the world, clients were reassured and had no reason to request financial guarantees for their deposits. According to news reports, Congrex filed for bankruptcy taking with it significant client advance deposits and supplier payments owing.

Read more

Commingled Funds Risk



Client deposits are mixed with supplier's general operating funds and other clients' funds



What is an Escrow Account?



The Escrow Contract



Addendum to supplier contract



Defines when funds are deposited to the escrow account and when they are released

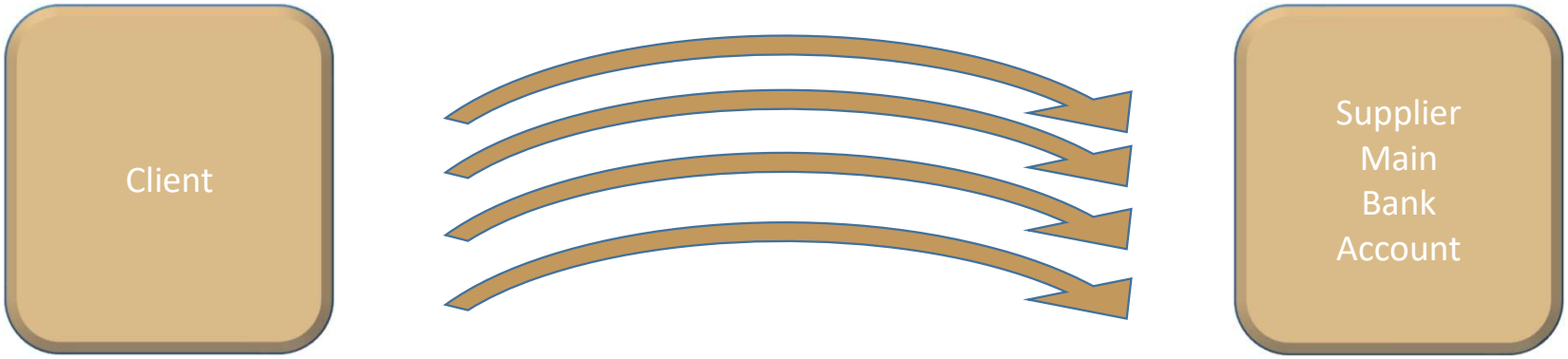


Provides the mechanisms to pause or terminate the escrow in the case of trigger conditions



Protects client and supplier and provides legal remedies. Defers to supplier contract.

Without Escrow, advance deposits are paid directly to the supplier to guarantee future services



With the escrow process, advance deposits are held in an escrow account until program delivery



Meeting Escrow Securely Holds the Deposits

- 100% separation of client deposits
- 100% transparency
- 100% verification
- 100% protection through Escrow Addendum signed by client and supplier



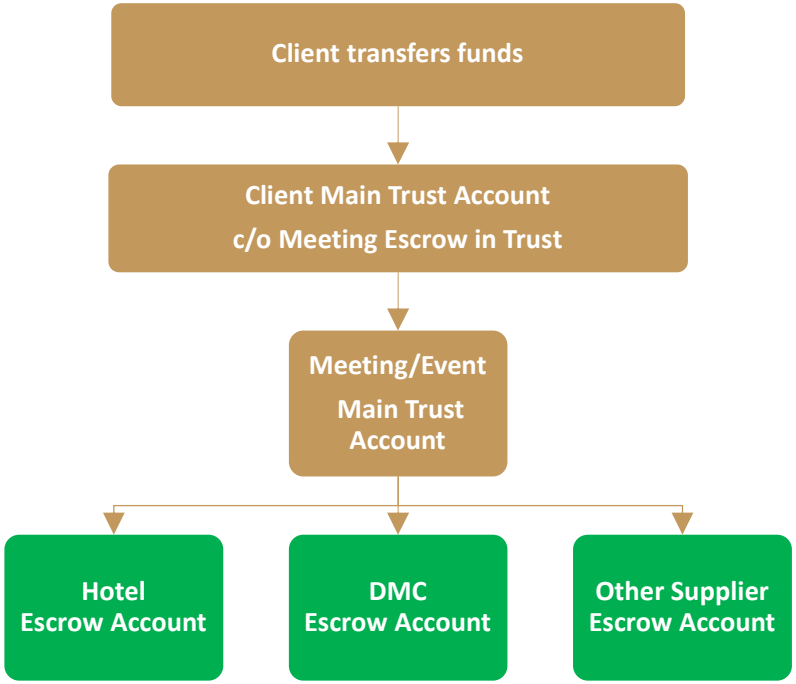
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Sample Escrow Setup for 1 Meeting or Event

Legend

Single Beneficiary Trust Account (Client)
Full control of funds

Joint Beneficiary Escrow Account (Client & Vendor)
Subject to Escrow Agreement



Funds held in escrow until program delivery

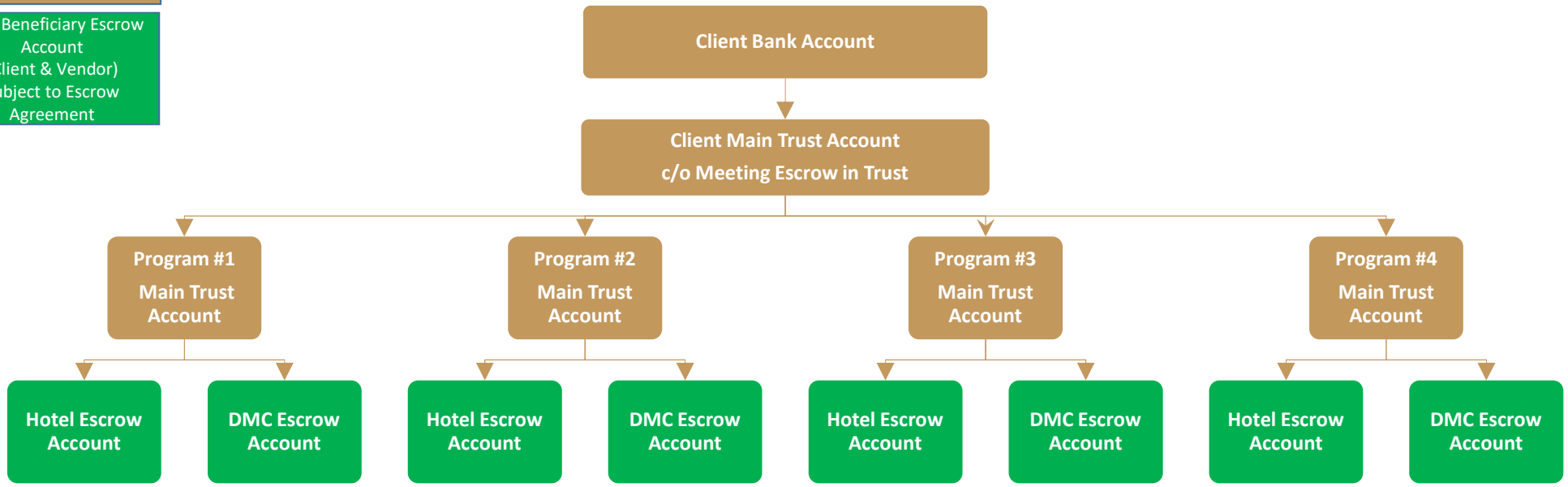
MEETING ESCROW

Sample Trust Account Structure with Escrow Solution for Multiple Events

Legend

Single Beneficiary Trust Account (Client) Full control of funds

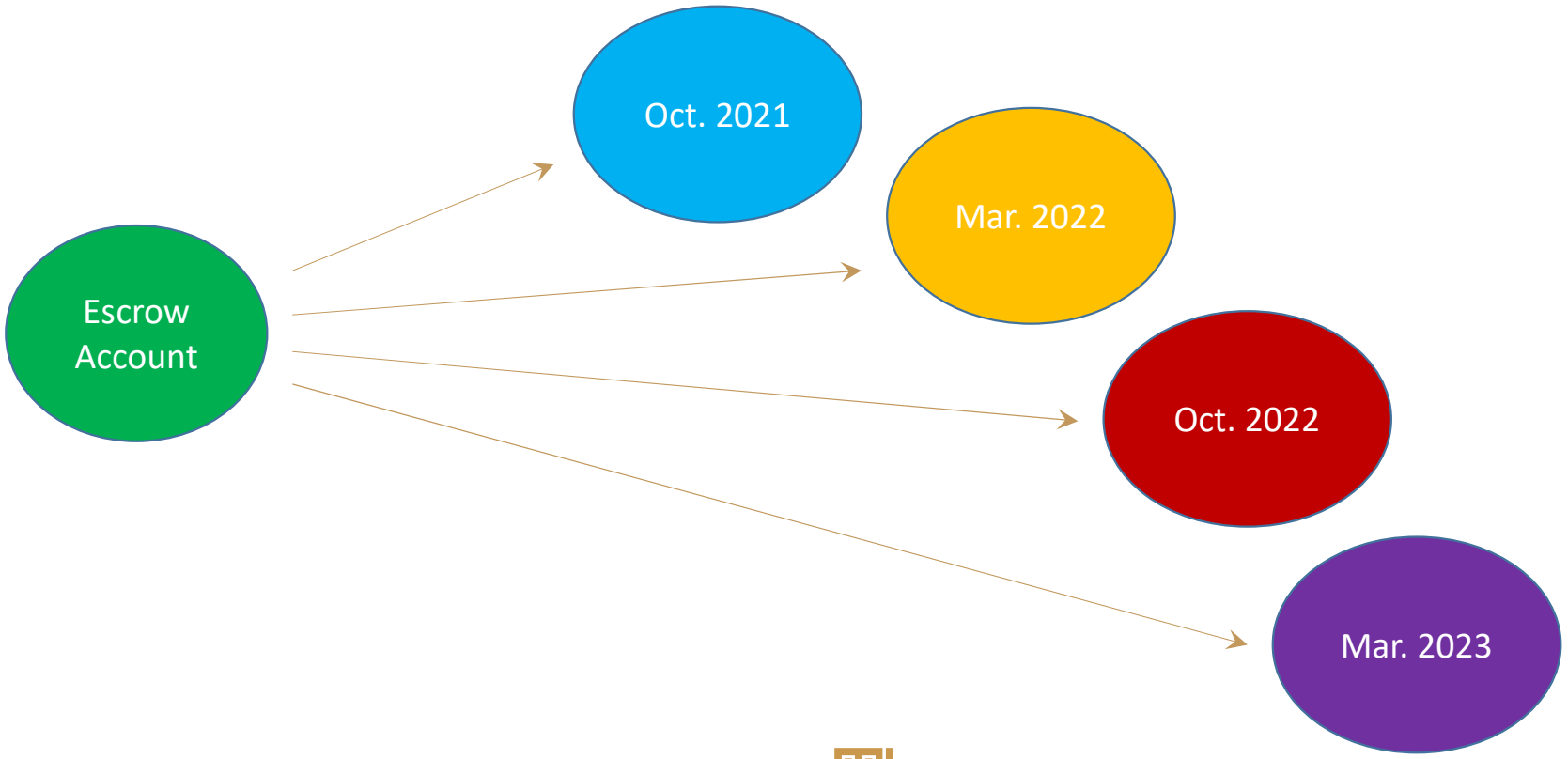
Joint Beneficiary Escrow Account (Client & Vendor) Subject to Escrow Agreement



Funds held in escrow until program delivery

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Flexibility in the midst of COVID-19 uncertainty



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Sample Escrow Addendum (signed by client & supplier)

Names the Purchaser, Vendor, Program Dates and references Vendor contract

Schedule for deposit of funds to the escrow account by the Purchaser

Schedule for release of funds to the Vendor from the escrow account

Vendor Contract Escrow Addendum

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ESCROW DEPOSIT & RELEASE OF FUNDS SCHEDULE

Pursuant to the current agreement ("Vendor Contract" or "Contract") between **SAMPLE CLIENT INC.** (the "PURCHASER") and **SAMPLE HOTEL OR DMC** (the "VENDOR") for the **SAMPLE MEETING, SEPTEMBER 10-15, 2022 (CONTRACT VALUE USD $250,000)**, the PURCHASER has engaged, and the VENDOR agrees to accept, the services of Meeting Escrow Inc. ("Meeting Escrow") for all payments to be made by the PURCHASER to the VENDOR. This Addendum is subject to the attached Escrow Trust Terms & Conditions, and replaces any pre-existing payment information in the Vendor Contract.

Escrow Funding Schedule – Deposit of Escrow Funds
The PURCHASER will deposit funds with Meeting Escrow by the agreed Funding Dates (below), to be held in a separate escrow trust bank account for the VENDOR, as follows:

Escrow Funding Schedule – Deposit of Funds by PURCHASER

Sample Funding Date	Source of Funds	Description	Currency	Sample Amount
Following signature of VENDOR contract	PURCHASER	1st Deposit	USD	$10,000.00
Jan. 10, 2022	PURCHASER	2nd Deposit	USD	$50,000.00
Apr. 10, 2022	PURCHASER	2nd Deposit	USD	$75,000.00
Jun. 10, 2022	PURCHASER	3rd Deposit	USD	$115,000.00

Escrow Release Schedule – Release of Escrow Funds
Meeting Escrow will release the escrow funds received from the PURCHASER, on the agreed Release Dates (below), as follows:

Escrow Release Schedule – Release of Funds to VENDOR

Release Dates	Payee	Description	Currency	Amount
At delivery of services	VENDOR	Release of funds at delivery of services	USD	$250,000.00
TBD	VENDOR	Release of any outstanding amount due upon approval of final invoice by PURCHASER, and receipt of funds into escrow account	TBD	TBD

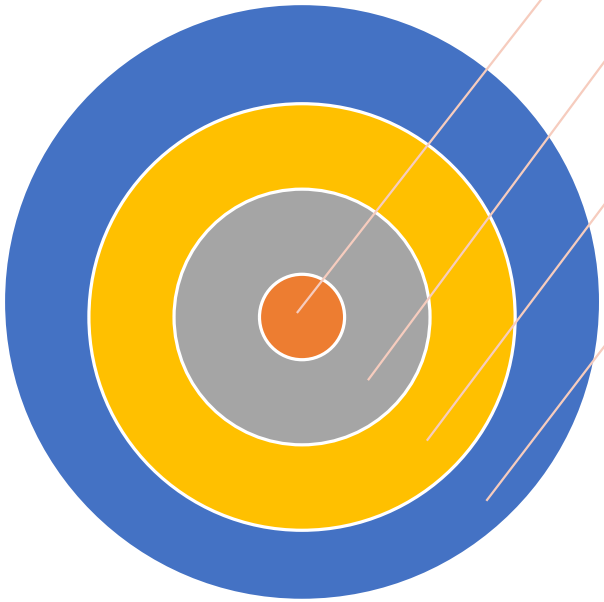
NOTE: If the "Release of Funds" date falls on a week-end or bank holiday, the wire payment will be scheduled for the first business day following the release date.

Who Owns the Funds in Escrow?

This is a key clause from the Escrow Addendum Terms & Conditions which defines the ownership of the funds

Ownership of Escrow Funds
Meeting Escrow does not own (beneficially or otherwise) any of the funds in escrow that it holds in trust as agent for the PURCHASER or VENDOR. All escrow funds remain beneficially owned by the PURCHASER until such funds become beneficially owned by the VENDOR as contemplated or specified by the Vendor Contract. The timing of changes in the beneficial ownership of funds in escrow may coincide with, but is mutually exclusive from, the timing of the release of funds in escrow.

Potential clients who are focused on financial risk management are the target audience for venues and destinations seeking to gain competitive edge by providing financial assurance options



Willing & able to pay for financial assurance solutions

Active involvement of finance team with meetings/procurement team(s)

Focus on FINANCIAL Risk Management - have strong pre-paid deposit requirements

Existing or aspirational risk management strategy - strong “duty of care” culture

Increasing Client Potential

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Escrow v Bank Guarantees v Letters of Credit v Financials
Financial assurance options for clients seeking financial guarantees & flexibility in the midst of global uncertainty

Criteria	Escrow Account for Advance Deposits	Bank Guarantees	Letters of Credit	Right to audit or to view supplier financials
Fees typically paid by client, not venue	✓	X	X	✓
All arrangements made by 3rd party trust company - no addition workload for venue	✓	X	X	X
Flexible for changing program requirements	✓	X	X	X
Designed specifically for the Business Events industry	✓	X	X	X
Protection in case of client bankruptcy or default	✓	✓	X	X
Escrow solutions available in 20 currencies for out-of-country clients	✓	X	X	X
Reduces venue A/R workload	✓	X	X	X



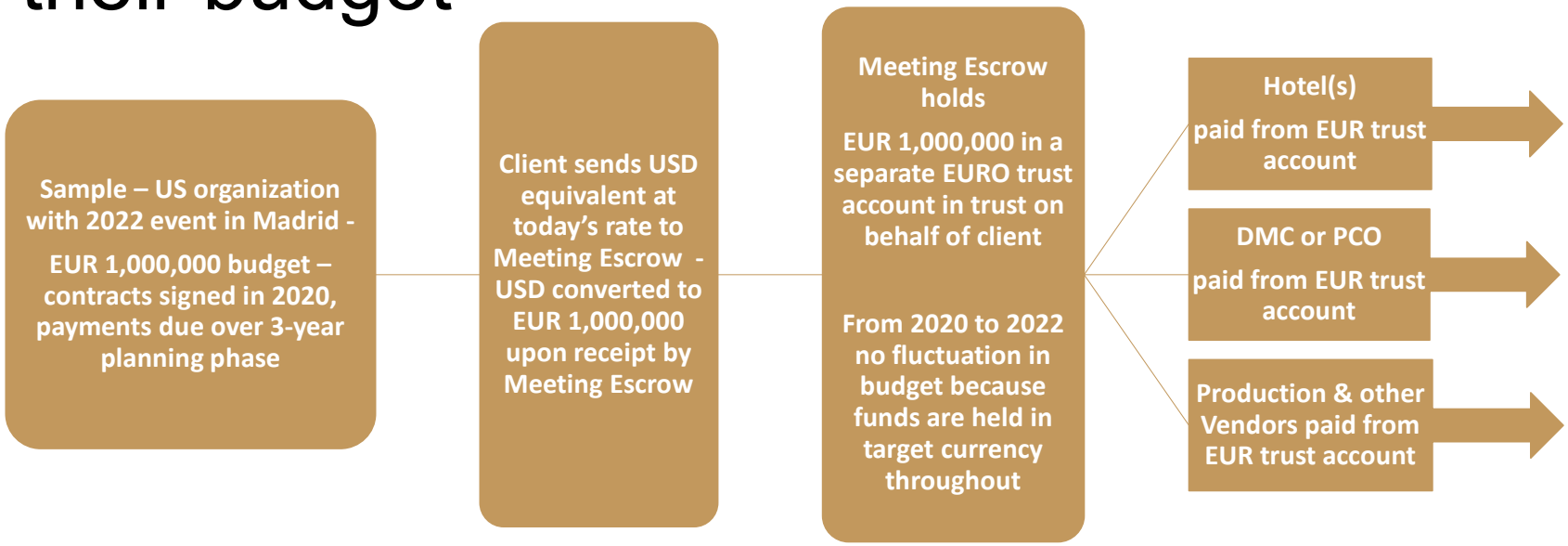
Foreign Currency Budget Protection

Fact: Exchange Rates Vary Constantly

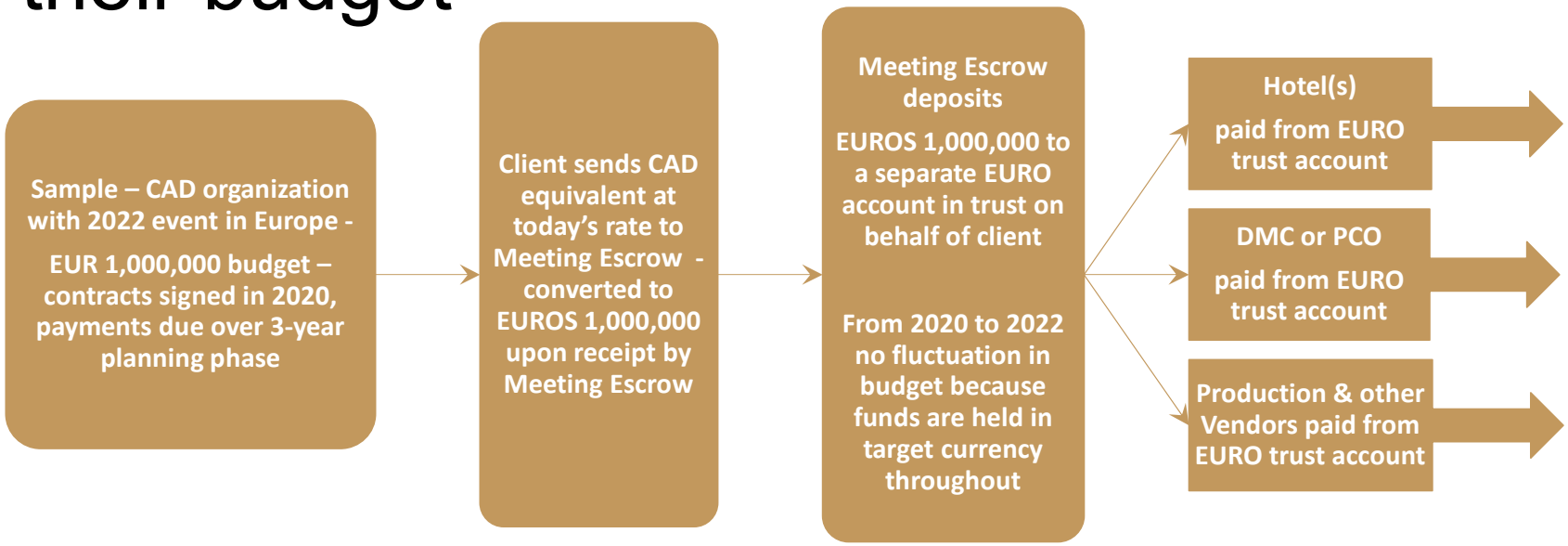




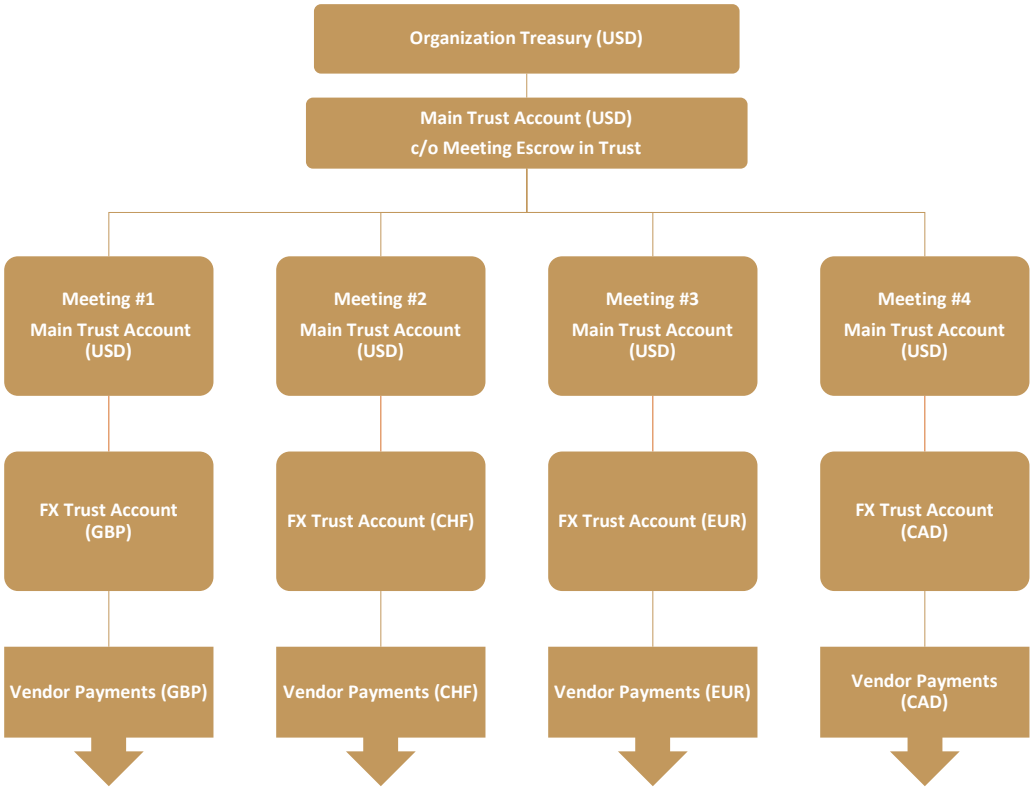
Meeting Escrow clients can lock in their foreign exchange rate up front to sync with their budget



Meeting Escrow clients can lock in their foreign exchange rate up front to sync with their budget



Sample Trust Account Structure



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Global Currency Accounts Available

- Australian Dollar
- British Pound Sterling
- Canadian Dollar
- Chinese Yuan Renminbi*
- Czech Koruna
- Danish Krone***
- Euro**
- Hong Kong Dollar
- Hungarian Forint
- Japanese Yen***
- Mexican Peso
- New Zealand Dollar
- Norwegian Krone
- Polish Zloty
- Singapore Dollar
- South African Rand
- Swedish Krona***
- Swiss Franc***
- Turkish Lira
- United States Dollar

* Special fees and conditions apply
** ECB regulated negative interest applies
*** Correspondent banking fees apply

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Who needs the stress?



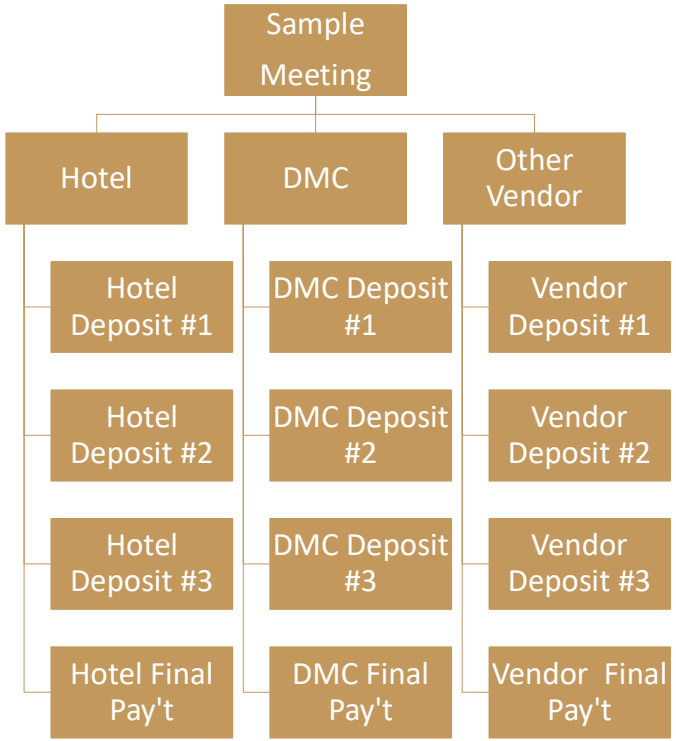
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Single Vendor Payment Solution

Challenge #1: Managing the volume of payments

A simple meeting with 3 vendors to onboard and 4 payments per vendor = 12 payments





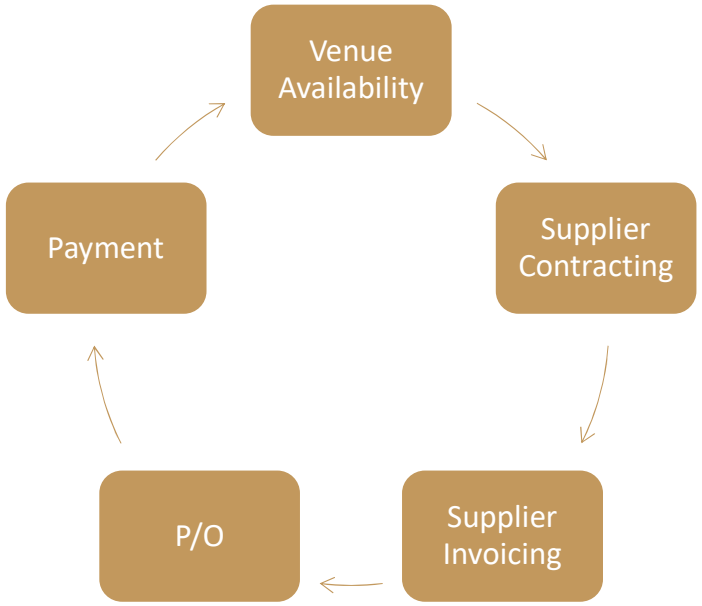
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Challenge #1: Managing the volume of payments



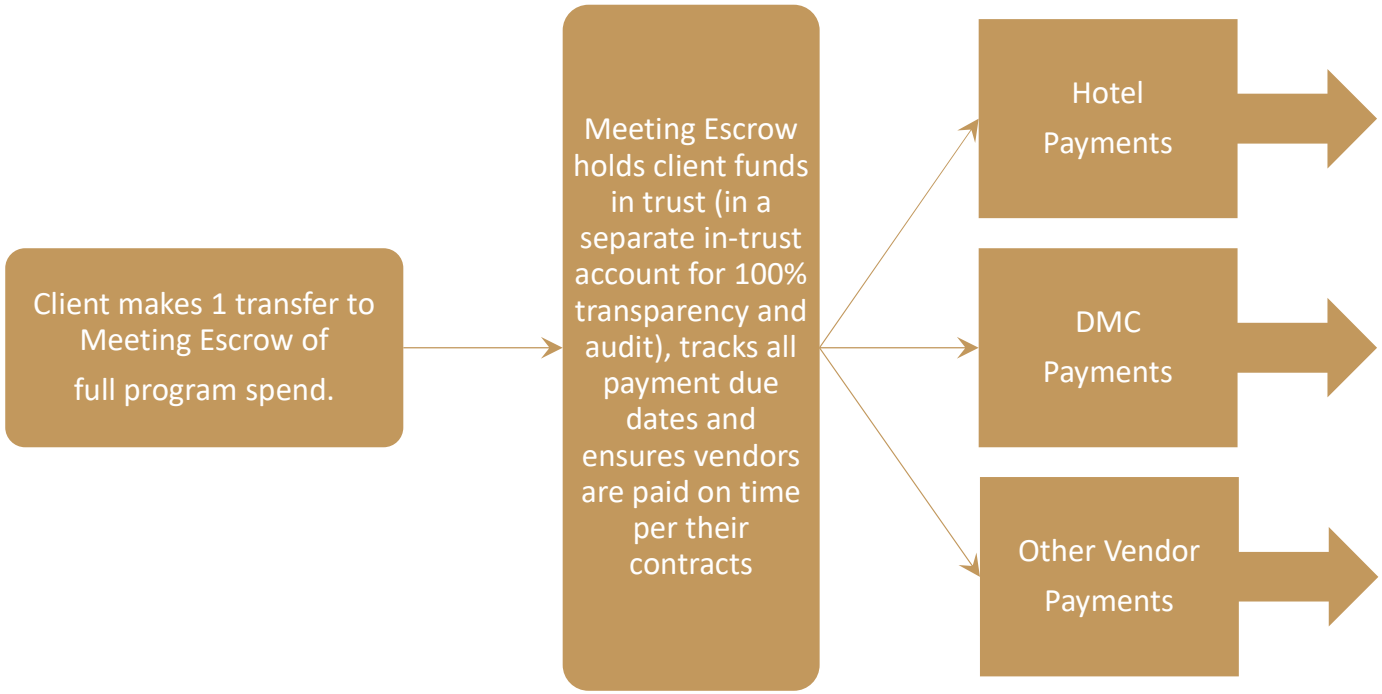
Challenge #2: payment approval process

Hotel availability dates, speakers, venues etc. are time-sensitive and require quick commitment by event organizers



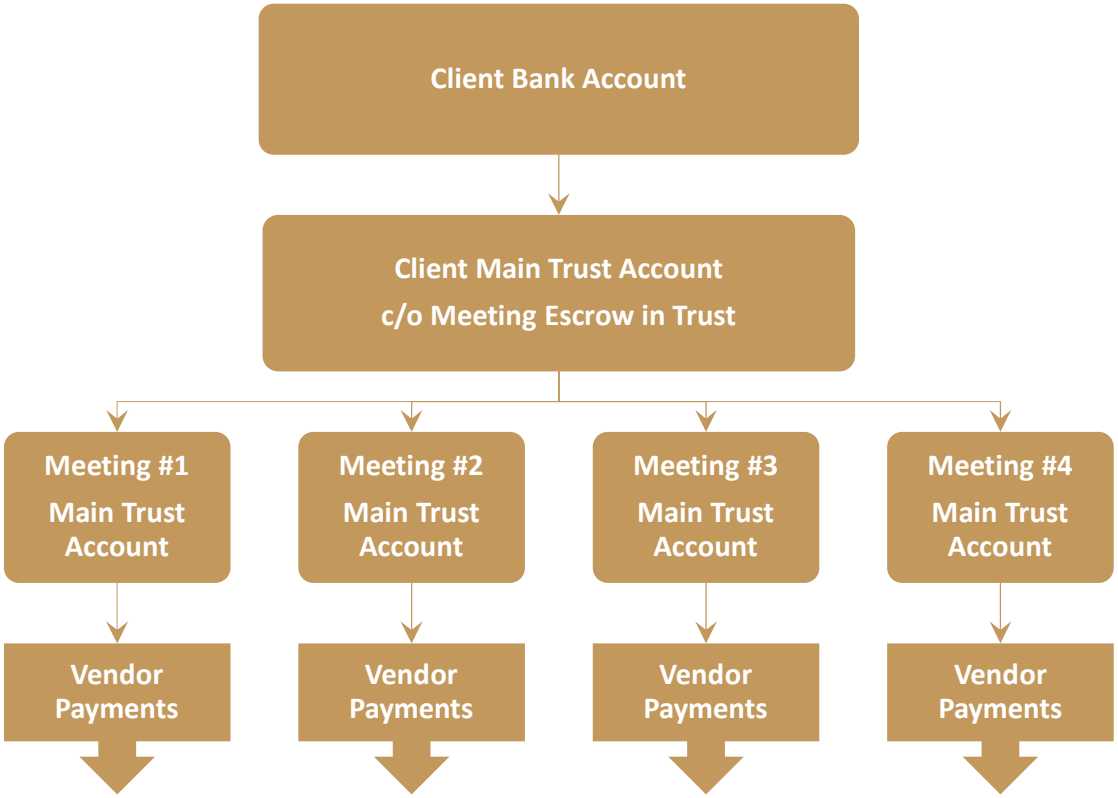
30 / 45 / 60 day turn-around process?

With Meeting Escrow, clients can make just one payment.



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Sample Trust Account Structure



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What is your time worth?



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4. Other Services

VAT Tax Refunds

Meeting Escrow is the single point of contact for the VAT reclaim process.

We have partnered with a global leader in VAT recovery.

VAT IT

Event Insurance

Event cancellation
Event liability
Event general coverage

In partnership with licenced insurance brokers

PROLINK
Canada's Insurance Connection

Secure Credit Card Processing for Online Registration

- Virtual merchant accounts available in USD & CAD
- Secure settlement to client's Meeting Escrow trust account
- Works with any registration platform – allows for increased flexibility & security

bambora

Facilitate Sponsor/Partner Commitments

Sponsor budget availability and fiscal cycles are often out-of-sync with your event's dates and sponsor payment deadlines.

Our escrow solution, with separate in-trust accounts for each sponsor, allows them to make deposits whenever funds are available, while still respecting your sponsor payment schedule.



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Vendor Acceptance

Benefits for Supplier Partners

- Increased sales opportunities
  Deposit Escrow solution offers clients a unique financial solution that your competitors may not be aware of
- Strengthen client relationships
  Meeting Escrow's financial trust account solutions illustrates good faith and transparency
- Receive advance deposits and final payments on time, every time
  Clients pre-pay the full estimated contract value into a separate escrow account and all contracted supplier payments are pre-programmed for automatic release.
- Simplify foreign exchange dealings
  Escrow trust accounts available in 20 currencies.

Benefits for Supplier Partners cont'd

- Eliminate credit card fees
  All payments made via wire transfer and we pay any wire transfer fees you incur.
- Remove client default risk
  Escrow Trust Agreement provides that if one party ceases operations, or if other trigger conditions occur, funds in escrow flow to the other party.
- Increase collection rates for cancelled programs
  Cash held in escrow ensures client and supplier are engaged to find mutually acceptable resolution to program termination.
- Meeting Escrow is more cost effective
  Meeting Escrow's Trust Account solutions are less expensive than a bank guarantee



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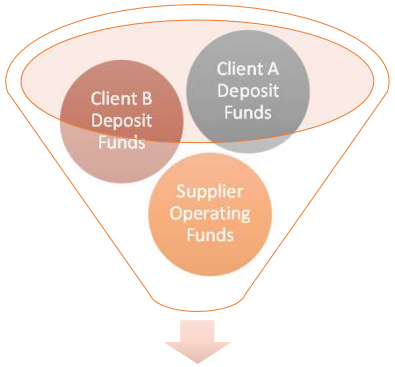
Company Insights

Why Trust Meeting Escrow?

Mission

- Simplify and secure financial transactions for meetings and events globally
- Broker trust for clients and suppliers – guarantee supplier services while securing client advance deposits
- Enable clients to focus on meeting strategy and business objectives vs. financial transactions and risk management





Client deposits are mixed with general operating funds and other client funds

Core Principles

Core Principles

- Transparency
- Trust & Security
- Alignment of Interests
- Long-term view
- Risk management integral to business model
- Partnership



Banking

Banking – Segregated Trust Accounts

- Canadian banking system one of the most secure in the world – highly regulated
- Canadian banks had no liquidity issues during the 2008-2009 financial crisis
- Complete separation of client trust accounts (currently with BMO and National Bank) from Meeting Escrow accounts (RBC Royal Bank of Canada) – no commingling of funds
- Separate in-trust accounts for every client, client program, and supplier escrow contract – no commingling of funds
- All operations managed using banking platforms; no software operations executed externally
- 3-level separation of duties for all banking operations: request, prepare, approve
- Beneficial owners of trust account funds declared to banks
- Letters of Assurance from banks trust account status

Client Trust Accounts

BMO Bank of Montreal

NATIONAL BANK

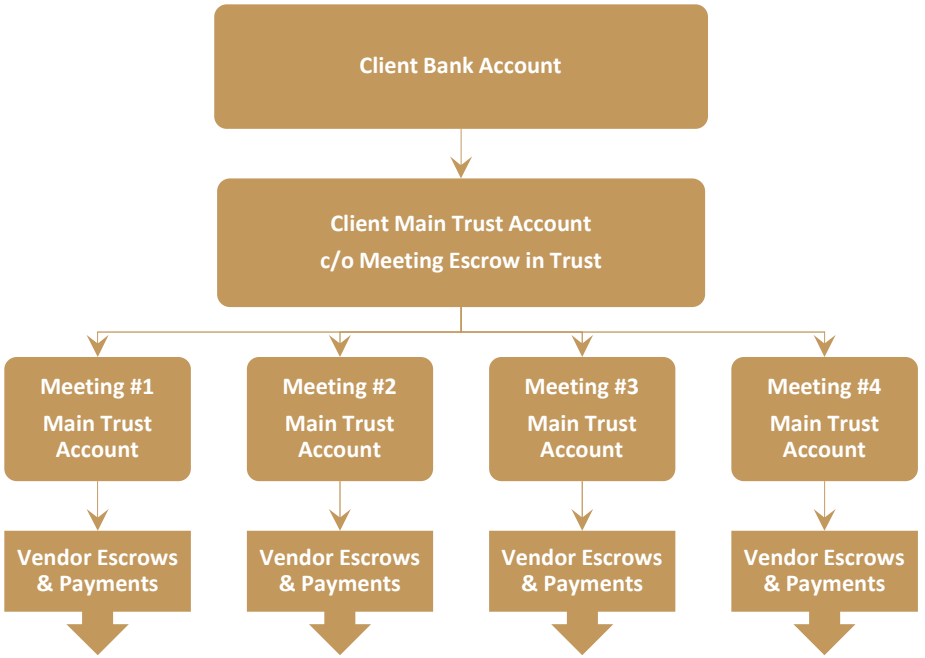
Meeting Escrow Accounts

RBC Royal Bank

Trust Account Structure

Trust Account Structure

- Separate bank trust accounts for every client, every program and every supplier escrow account
- All trust accounts bona-fide designated trust accounts
- Meeting Escrow is legal owner of the accounts
- Clients are beneficial owners of the funds in their main trust and program trust accounts
- Clients and suppliers are beneficial owners of the funds in the escrow trust accounts
- Funds flow from client treasury to Meeting Escrow in Trust by wire transfer following receipt of “Deposit Advice”
- Funds flow to meeting main trust accounts & vendor escrow accounts per client instructions and per client approval protocols
- Monthly bank trust statements available online 24/7



Compliance & Legal

Compliance & Legal



- Governmental compliance
- Privacy / security policies
- Meetings industry legal firm used for creation of escrow agreements
- Client contracts and vendor escrow agreements clearly define ownership of funds held in trust

Grant Thornton

Minden Gross LLP

Howe & Hutton, Ltd
The Law Firm for Associations®
The Law Firm for Meeting Professionals®

Security

Security

- Anyone working with Meeting Escrow subject to:

  1) Criminal records check
  2) Credit check
  3) Civil Court check
  4) Bankruptcy check

- Provided by MKD International (based in Toronto, Canada)



Insurance Coverage

$7 Million Insurance Coverage

The Guarantee Company

$1 Million Bond



Royal Sun Alliance

$5 Million Commercial Liability Coverage

Lloyd's / CFC Underwriting

$1 Million Cyber Liability Coverage

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Meeting Escrow Client Pricing

Meeting Escrow Client Pricing (USD)

Updated 7/27/2021

Simple. Transparent. Flexible.

Sign-up is Free

$0

- ✓ No charge to sign up
- ✓ Free professional consultation services (escrow, VAT refunds, insurance, payments) available immediately
- ✓ No charge to cancel at any time[1]

Monthly Trust Account Fee

$195

- ✓ Monthly fee for each client trust account and vendor escrow trust account that we are managing[2]
- ✓ No charge to open or close accounts at any time[1]

Trust Deposit Fee

1.99%

- ✓ One-time fee charged when funds are deposited in trust with Meeting Escrow[2]
- ✓ No monthly or annual fees apply
- ✓ No charge to withdraw funds at any time[1]

[1.] Subject to any escrow agreements in effect [2.] Subject to any applicable taxes

MEETING ESCROW

Pricing Details

Simple. Transparent. Flexible.

Updated
7/27/2021

Part 1:
Sign up for free

- ✓ There is no charge to sign up with Meeting Escrow.
- ✓ Why sign up now?

  Complimentary consultation on VAT recovery, event insurance, secure payment and supplier escrow acceptance strategies.

  Completion of onboarding process (due diligence, banking documentation etc.) so you're ready to leverage our solutions for your next program or event.
- ✓ No long-term contract - you can cancel at any time[1]

Part 2:
Monthly Trust Account Fees

- ✓ We charge a flat monthly fee[2] for each client trust account and vendor escrow trust account that we are managing.
- ✓ You only pay for the months that the trust accounts are open.
- ✓ Every client has a main trust account for the deposit of funds and every vendor escrow contract requires a separate trust account to ensure security and transparency.
- ✓ All bank fees (account, wire transfer, negative interest, correspondent banking etc.) are invoiced on a monthly basis along with your trust account fees.
- ✓ No charge to close any trust or escrow trust account that is no longer in use[1]

Part 3:
Trust Deposit Fees

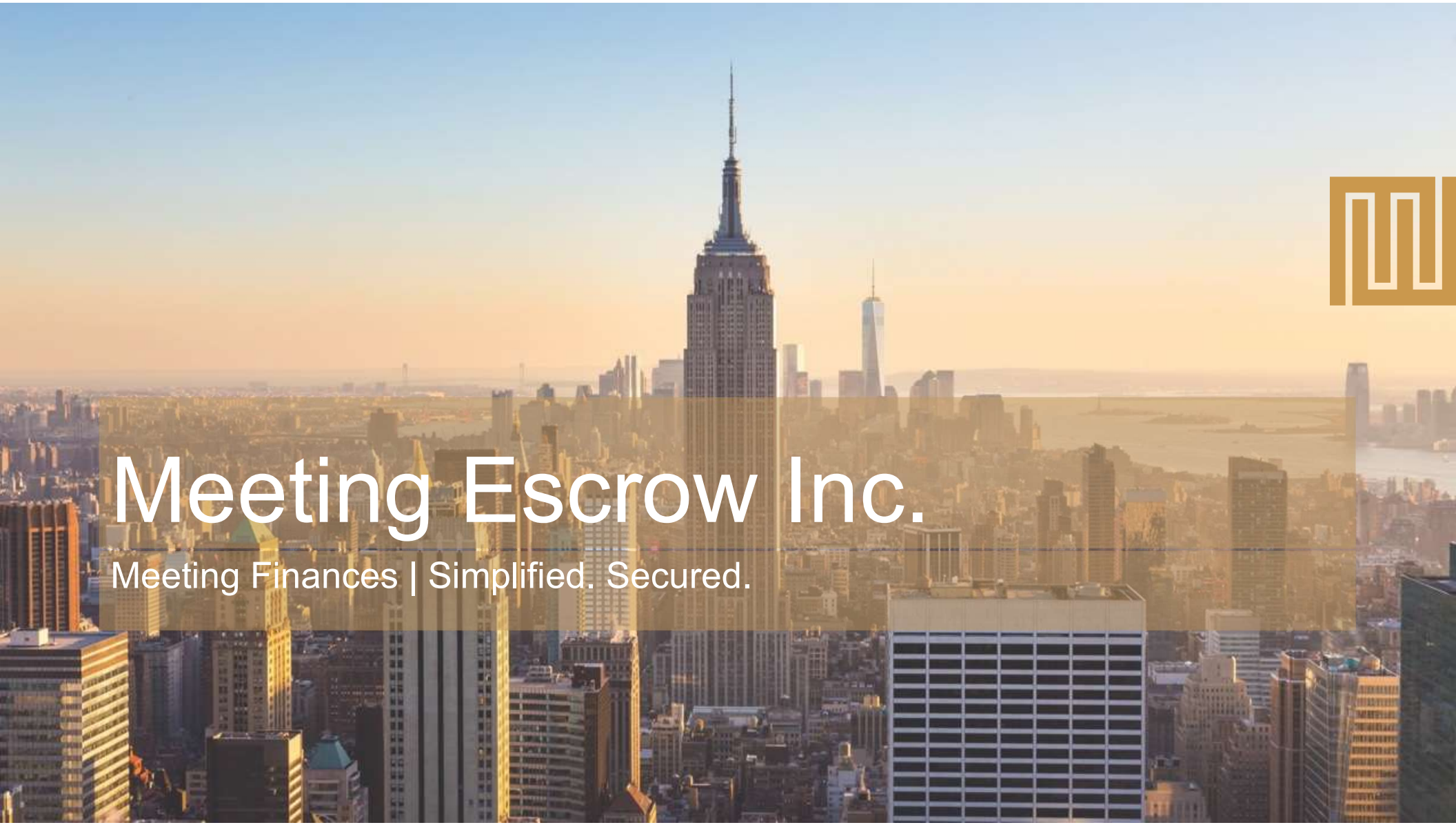
- ✓ We charge a one-time fee[2] when you deposit funds in trust.
- ✓ The trust deposit fee[2] is calculated as a percentage of the funds transferred to Meeting Escrow in Trust.
- ✓ No additional trust deposit fee is charged if a program is postponed to a later date, as long as the funds continue to be held in trust or escrow trust.
- ✓ No charge to withdraw funds held in trust at any time[1]

1. Subject to any escrow agreements in effect 2. Subject to any applicable taxes

MEETING ESCROW



Let’s begin the conversation on how to partner for success!


Meeting Escrow Inc.
Meeting Finances | Simplified. Secured.