



Music Celebrations International, L.L.C.

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FINANCIAL SECURITY

Travelers deserve to know that their travel providers are solid citizens in the business community, and, are in compliance with all safety and financial requirements that will guarantee the safe and complete operation of their future tour. How does one discover or determine if any given tour operator is in this “safe” category or has the financial strength to weather any storm and guarantee delivery of everything promised or anticipated in the tour? There are occasional “surprises” with bankruptcies of tour operators (as well as hundreds of other types of businesses), and innocent, unsuspecting clients are robbed not only financially, but they experience the disappointment of completely missing something they have eagerly anticipated and looked forward to for months. Bankruptcies are usually the result of mismanagement, under-capitalization or malfeasance.

Most tour operators are not publicly-traded businesses, and, as such, confidential financial information is not easy to obtain or research. There are general guidelines that all groups or individuals should consider — and, much of this information is available or discoverable.

All funds paid to Music Celebrations International are held in Trust Accounts at Bell Bank, and are used for tour-related expenses first. Excess funds are available to MCI only after completion of each concert tour. MCI has been in business since 1993, and for the past 15+ years, has operated between 200-250 tours on an annual basis. MCI has practiced good business sense by depositing and/or investing profits for potential lean years in the future. Because of this, MCI is on solid financial standing, and there is no danger of MCI going out of business. Additionally, MCI, as an IATAN (International Airlines Travel Agent Network) and ASTA (American Society of Travel Agents) member is fully accredited and bonded to the maximum level. The following financial and security measures are in place for the protection of all participants.

Music Celebrations International carries \$3,000,000 (Three Million) in Travel Agents Professional Liability insurance, including errors and omissions coverage. A copy of this policy, underwritten by Aon Affinity, is on file in our office, a copy of which will be sent to interested parties upon request.

It is extremely important to do some research before signing contracts or sending non-refundable deposits to any tour operator.

REPUTATION of Tour Operator:

- How long have they been in business?
- How long has current management/ownership been in place?
- What is tour operator’s track record? How many tours per year? What is the average length of employment and experience of current staff?
- Can you get references of other clients similar to you who can verify or make comments?
- Better Business Bureau – how many complaints have been lodged? How many complaints have been successfully resolved?
- Reputation with foreign government tourist offices, airlines, bus companies, concert venues, restaurants and other vendors with whom they do business.
- Is Tour Operator wholly owned in the U.S. or owned (even partially) by a foreign entity?
- Does tour operator work directly for all international or domestic tour arrangements, or, does tour operator work via third parties for all such arrangements?

MEMBERSHIPS AND ASSOCIATIONS:

Membership in many of the listed associations requires proof of financial ability, performance bonding, and financial guarantees.

- Better Business Bureau (BBB)
- American Society of Travel Agents (ASTA)
- International Airlines Travel Agent Network (IATAN)
- International Festivals and Events Association (IFEA)
- Student & Youth Travel Association (SYTA)
- American Bus Association (ABA)
- Cruise Lines International Association (CLIA)
- National Association for Music Education (NAFME)
- Chorus America
- American Choral Directors Association (ACDA)
- Association of Concert Bands (ACB)
- American School Band Directors Association (ASBDA)
- American String Teachers Association (ASTA)
- League of American Orchestras
- World Association for Symphonic Bands and Ensembles (WASBE)

INSURANCE:

- Does tour operator carry adequate liability and performance insurance that would cover any liability or litigious issues that arise from malpractice or non-performance?
- Can you get a copy of the tour operator's liability insurance policy?
- Does tour operator include or offer insurance coverage for protection against sickness, theft, accident, malpractice, missed inclusions because of flight delays (weather or mechanical)?
- Is tour operator able to name your organization as a third-party liability insured?

BANK REFERENCES:

While most banks cannot give you confidential information, they can certainly verify solid and historical banking practices, assessment of financial stability and strength, compliance with all banking security measures. Your tour operator should be willing to give you the name(s) of bank officers who know and oversee their bank accounts.

MCI is in complete compliance with all regulations, membership/association requirements listed above. MCI is an ARC/IATAN travel agency with its required bonding and deals directly with airlines to negotiate best possible group airfares.

WHAT IF A TOUR IS CANCELED?

What if world events (pandemics, natural disasters, terrorism, etc.) necessitate a cancelation of a tour? How are MCI's clients financially protected? MCI is deeply concerned with the well-being and safety of all under our care!

MCI has never sent (nor will we in the future) clients into harm's way. Our links and close contact to the U.S. State Department, the Centers for Disease Control and Prevention, the World Health Organization, and others, keep us apprised on a daily and hourly basis of any potential danger, advisories, warnings, and notices. MCI's included insurance policy includes protection for cancellation due to terrorism (exact provisions are that a terrorist incident takes place in a city included in the itinerary within 30 days prior to travel; or U.S. State Department issues a travel warning) — but the availability of premium protection (at an additional cost) allows for cancellation for any reason, up to 72-hours prior to travel. This “cancel for any reason” clause protects up to 75% of non-refundable payments. This premium protection is currently the best way to protect your financial investment from an epidemic/pandemic/travel notice. This premium protection offers a higher level of peace of mind. The premium for this coverage must be paid prior to your tour being paid in full.

Your partners at MCI will work with you directly on developing a contingency plan – whether that is to ultimately postpone or redirect to a different destination – to ensure that you have a safe and memorable concert touring experience. MCI works tirelessly with airlines, hotels, motorcoach companies, etc., to negotiate refunds, or partial refunds as the case may be, so as to not compound the disappointment of not being able to travel with the crushing reality of walking away from a year + of budget sacrifices, fundraising activities, etc., represented in the cost of travel. We are pleased to report that our staff in Europe, and our dedicated air department, have been successful in securing substantial sums as refunds, and our clients are very happy!