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Paysafe Launches Safeguarding Model for the Travel Industry Globally

Leading specialized payments platform also outlines its vision for the future of payments risk management in the travel sector in its latest whitepaper

TX-HOUSTON--(BUSINESS WIRE)-- [Paysafe](#) (NYSE: PSFE), a leading specialized payments platform, today announces the global launch of its safeguarding solution for the travel industry. The new solution eliminates the need for travel operators or other travel businesses that accept payments from consumers to offer cash collateral to their acquirer to offset the risk of non-delivery of services. Instead, consumer payments are held by a third party, and released immediately and in full to the travel business upon terms agreed by the company and Paysafe being met.

The safeguarding model has been created using Paysafe's extensive experience in the travel industry to build a new risk management mechanism that benefits both travel companies and their acquirers. It has been developed in partnership with industry-specialized trust solution partners and uses Paysafe's payment technology and sophisticated data management capabilities to immediately reconcile when funds should be released to the merchant.

Currently, holding cash reserves as collateral is industry standard, as acquirers manage the risk generated by consumers making high value transactions well in advance of delivery of the service. As the value of cash being withheld can often fluctuate, this has created numerous problems for travel businesses, including liquidity concerns and uncertainty.

Having identified the need for the industry to move away from traditional collateral-based risk management, Paysafe has been rolling out and battle testing its services with a limited number of partners in Europe. Following the COVID-19 crisis and the challenges that travel companies have faced during this period, the need for the travel industry to move away from payments relationships built on cash collateral and rolling reserves has grown, and the highly flexible and scalable solution from Paysafe helps to support this shift.

Commenting on the launch, Paulette Rowe, CEO of Integrated & Ecommerce Solutions at Paysafe, said: "It is no secret that the travel industry has been heavily impacted by COVID-19. Many travel companies have struggled to find a payments partner that is willing to work with them on agreeable terms during the pandemic, as acquirers simply haven't been prepared to accept the risk profiles the industry is generating. At Paysafe, we've leaned on our deep understanding of the sector to evolve our safeguarding solution to enable us to work more closely with our partners in a way that is preferable to both parties. Stress testing the model throughout the crisis puts us in the best position to support the industry in its period of recovery, and to thrive in the long term."

She added: "In addition to supporting travel businesses directly as they recover and grow

following the pandemic, Paysafe's safeguarding solution benefits the consumer as their payments are completely protected against non-delivery of service. Consumer trust in the industry will be a critical component of its revival and this isn't guaranteed in many existing circumstances."

This week Paysafe has also published a whitepaper for the industry outlining how the safeguarding model benefits both the travel industry and the acquirers it works with.

Safeguarding the future of travel: Why it is time to rethink payments and liquidity in the travel industry details why the industry had already reached a crossroads with its payment solutions prior to the pandemic and what has been learned from the crisis. It also offers an in-depth explanation of how the safeguarding model works in practice, and the benefits of the new type of relationship for both travel businesses and the acquirer.

To download the report, visit: [***Safeguarding the future of travel: Why it is time to rethink payments and liquidity in the travel industry is available to download now.***](#)

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About Paysafe Limited

Paysafe Limited ("Paysafe") (NYSE: PSFE) (PSFE.WS) is a leading specialized payments platform. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 20 years of online payment experience, an annualized transactional volume of US \$92 billion in 2020, and approximately 3,400 employees located in 12+ global locations, Paysafe connects businesses and consumers across 70 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments. Further information is available at www.paysafe.com.

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