



Updates to the Agent Reporting Agreement (ARA): Effective September 18, 2023

Part I, Section 6

6. Termination of This Agreement

- 6.1. Agent may submit a request, in the form required by ARC, for voluntary termination of this Agreement at any time.
 - 6.1.1. Termination will take effect upon ARC's approval of Agent's request, subject to the fulfillment by each of the parties of all obligations under this Agreement.
- 6.2. ARC may terminate Agent's Agreement according to the requirements of this Agreement.
- 6.3. Whenever, under the terms of this Agreement, ARC is required to remove Agent or Agent's Location(s) from the ARC Agency List, ARC will terminate this Agreement with respect to Agent or affected Location.
- 6.4. ~~Upon termination, all unused ARC Traffic Documents (paper format) must be disposed of according to Section B of the IAH. ARC may designate a representative to remove all ARC Traffic Documents (paper format) from Agent.~~ Intentionally omitted.
- 6.5. Upon termination, Agent must provide all monies due and payable to any Carriers, and a complete and satisfactory accounting.
- 6.6. Upon termination and ARC's request, Agent must return to ARC all supporting documents listed in Section C of the IAH that are less than or equal to 39 months of age as of the date of termination. Until returned or destroyed in a secure manner, all supporting documentation containing personal data, such as credit card information, must be maintained in a secure and confidential manner.
- 6.7. Whenever this Agreement is terminated, ARC will notify all Carriers and advise them of the reason and the effective date of the termination. ARC will also notify System Providers to inhibit issuance of ARC Traffic Documents by Agent through the ARC Settlement Plan. Additionally, Agent must cease use of its ARC Number(s), unless Agent reclassifies to an ARC Verified Travel Consultant.
- 6.8. Upon termination of this Agreement, in the event Agent fails to fulfill its obligations to Submit all Sales Reports, Agent authorizes ARC to Submit the Sales Reports that have not previously been Submitted and to draft Agent's designated bank account for the amounts owed for such Sales Reports. Agent will indemnify and hold harmless ARC; ARC's officers, employees, and representatives; and Carriers from all damages, losses, or claims resulting from ARC's Submission of the Sales Reports under the terms of this Section.
- 6.9. ARC will be considered a real party in interest in any cause of action, suit, or arbitration to enforce the terms of this Agreement, including those brought by ARC after the termination of this Agreement to collect amounts Agent owes to Carriers or ARC.

Part II, Sections 13-14

13. Reviews of Breaches by Agent

- 13.1. In situations where it appears to ARC that there may be or has been fraudulent conduct on the part of Agent (such as falsification of ARC Traffic Documents and sales reports, misuse of the IAR system, as well as those activities described in Section F of the IAH), and there is a clear and



present danger of substantial loss to ARC or Carriers, ARC may:

- 13.1.1. ~~Immediately remove Agent's paper format ARC Traffic Documents; Intentionally omitted;~~
 - 13.1.2. Notify Carriers; or
 - 13.1.3. Notify System Providers to inhibit the issuance of ARC Traffic Documents by all of Agent's Locations and all Agents under Common Control with Agent.
- 13.2. For any actions taken by ARC under Section 13 of this Agreement, Agent has the right to appeal to the Arbiter on an expedited basis using procedures established by the Arbiter. ARC will terminate Agent's Agreement without further notice if all of the following actions do not occur within 10 calendar days after the date of ARC's demand notification to Agent:
- 13.2.1. Arbiter has received an appeal from Agent;
 - 13.2.2. ~~ARC has received all ARC Traffic Documents (paper format) entrusted to Agent; and Intentionally omitted; and~~
 - 13.2.3. ARC has received from Agent the original of a properly executed "Personal Guaranty of Payment and Performance" found in Section G of the *IAH*.
- 13.3. Upon termination of Agent's Agreement under this Section, ARC will take action as directed in Subsections 6.7 and 6.8 of this Agreement.

14. ARC Tools and Online Services

- 14.1. ARC provides various online services through which Agent Submits or reviews Transactional Data or otherwise communicates or transacts business with ARC and Carriers, including the My ARC web portal, Interactive Agent Reporting (IAR), ~~Internet Sales Summaries, Agent's ChoiceARC Pay~~, Memo Manager, Accreditation Tool and Document Retrieval Service (DRS) (collectively referred to as "ARC Tools" or "Tools"). Agent's use of and access to ARC Tools are subject to the terms of this Agreement, including Section H of the *IAH*, and the Terms of Use for each Tool, which are incorporated by reference in this Agreement.
- 14.1.1. Agent acknowledges and agrees that any communication or business transaction with ARC through an ARC Tool (e.g., an application, form or request) by any individual who has been granted access to the ARC Tool by the Agent's My ARC Primary Administrator or Tool Administrator, will be deemed to have been submitted and authorized directly by the Agent. Such submissions will have the same force and effect as if they were submitted and/or signed (where applicable) directly by an owner or officer of the Agent.

Part III, Section 23

23. Delivery and Withdrawal of ARC Traffic Documents

- 23.1. The terms governing Agent's security of ARC Traffic Documents and the manner in which ARC Traffic Documents may be issued and must be accounted for are set forth under this Agreement, instructions provided by ARC, and in Section B of the *IAH*.
- 23.2. All ARC Traffic Documents supplied to Agent must be held in trust for ARC by Agent until issued to Agent's clients, or until otherwise accounted for to ARC or Carriers, and must be surrendered to ARC upon demand pursuant to this Agreement.
- 23.3. This Agreement does not confer upon Agent, nor will Agent otherwise be deemed to have, any ownership interest in any ARC Traffic Documents, or any other Transactional information or data supplied to Agent under this Agreement.
- 23.4. ARC Traffic Documents (~~paper format~~) supplied for issuance at a specified Location covered by this Agreement must not be ~~filled out or~~ validated at any other Location.



23.5. Agent will not accept custody of, ~~or deliver, blank, pre-validated, or partially written~~ ARC Traffic Documents not previously assigned to Agent under this Agreement. Should Agent be approached by another Agent to distribute ~~blank, pre-validated, or partially written~~ ARC Traffic Documents, or to distribute ARC Traffic Documents not provided to Agent through the System Provider ~~(electronic format)~~, Agent must immediately notify the ARC Fraud Prevention Department.

Part V, Section 33

33. Defaults

33.1. Section 33 governs the conditions under which ARC may deem Agent to be in default.

33.2. Dishonored ARC draft

33.2.1. ARC will notify Agent and Agent's surety if a draft for payment of Agent's Sales Reports is dishonored. Agent agrees to wire funds to ARC to cover any dishonored draft by the close of the next business day.

33.2.2. Agent acknowledges that upon failure to comply with the requirements in Subsection 33.2.1, ARC will take action as directed in Subsection 33.5.

33.3. Unreported Sales and Improperly Reported Transactions

33.3.1. ARC will notify Agent if Agent has failed to include in its Sales Report all ARC Traffic Documents issued through the close of the Sales Report Period, or has included other Improperly Reported Transactions.

33.3.2. Unless the Agent wires funds or provides supporting documents within the time frame stated in ARC's notice, to cover the Unreported Sales and/or Improperly Reported Transactions and, where a clear and present danger of substantial loss is present, ARC will take action as directed in Subsection 33.5.

33.4. Failure to Submit Sales Reports

33.4.1. If Agent has failed to Submit a Sales Report by the Submission Deadline, ARC will notify Agent.

33.4.2. Unless Agent immediately Submits its Sales Report, ARC will take action as directed in Subsection 33.5.

33.5. Consequences of Failure to Pay for Dishonored Draft(s), Unreported Sales and/or Improperly Reported Transactions, and Failure to Timely Submit Sales Reports

33.5.1. If any of the actions in Subsections 33.2, 33.3, or 33.4 of the ARA occur, ARC will:

33.5.1.1. ~~Withdraw from the Agent, and all Agents and Locations under Common Control with the Agent, all ARC Traffic Documents (paper format); Intentionally omitted~~

33.5.1.2. Notify Carriers; and

33.5.1.3. Notify System Providers to inhibit the issuance of ARC Traffic Documents by such Agent and Locations.

IAH, Section D, Subsection 1

1. ARC provides various online services (collectively referred to as "ARC Tools" or "Tools") Agents use to submit and review Transactional Data or otherwise conduct business with ARC and the Carriers. Currently these Tools include ARC's: Interactive Agent Reporting (IAR), ~~Internet Sales Summaries~~ Memo Manager, and Document Retrieval Service (DRS), as well as the My ARC web portal through which certain ARC Tools are accessed.



IAH, Section I, Subsection 3

3. Change in Ownership Due to the Death of a Sole Proprietor or Partner

3.1 In the event of the death of a sole proprietor or partner, contact ARC's Customer Care Center.

3.1.1. At the request of the Entity entitled to represent the deceased's estate and/or the request of the remaining partner(s), ARC may enter into a temporary Agreement with the Entity acting on behalf of the estate provided that the Entity submits a proper Financial Instrument in the name of the estate and continues to operate at the Location(s) covered by this Agreement.

3.1.2. The temporary agreement will be in the same form and have the same effect as this Agreement, and ARC may terminate this temporary Agreement at any time ARC determines that the Entity acting on behalf of the estate does not meet requirements of the ARA, is not in compliance with the ARA or cannot be relied upon to comply with the terms of the ARA. Upon termination of the temporary agreement, ARC will take action as directed in Subsections 6.7 and 6.8 in the ARA.

3.1.3. If the Entity entitled to represent the estate, or with whom the temporary Agreement is executed, proposes to transfer the temporary Agreement to an heir, legatee, or another Entity, the proposed transfer will be deemed a change of ownership and the procedures in this Agreement, and the application agreement and instructions will apply.

3.1.4. If ARC determines that the Entity acting on behalf of the estate does not meet requirements of the ARA, is not in compliance with the ARA or cannot be relied upon to comply with the terms of the ARA, ARC reserves the right to notify Carriers and ~~withdraw all ARC Traffic Documents (paper format) supplied to Agent and~~ notify System Providers to prohibit further issuance of ARC Traffic Documents.

IAH, Section K, Subsection 1.16

Consequences of Failure to Pay for Dishonored draft(s), Unreported Sales and/or Improperly Reported Transactions, and Failure to Timely Submit Sales Reports

1.16. If any of the actions in of Subsections 33.2, 33.3, or 33.4 of the ARA occurs, ARC will:

1.16.2. 1.16.1. ~~Withdraw from the Agent, and all agents and locations under common Control with the Agent, all ARC Traffic Documents (paper format) Intentionally omitted.~~ Notify Carriers

1.16.3. Notify System Providers to inhibit the issuance of ARC Traffic Documents by such Agent and all agents and locations under Common Control with the Agent.

Part IV, Section 30

30. Financial Instrument

30.1. Purpose: Agent's Financial Instrument is used after termination of the Agent's ARA in order to cover all amounts owed by Agent to Carriers and ARC for Transactions issued on ARC Traffic Documents supplied in trust to Agent. This includes, but is not limited to, all amounts owed for Transactions that have been used but not reported or paid for; amounts owed for dishonored drafts; and amounts owed as a result of the loss misapplication, theft, forgery, or unlawful use of ARC Traffic Documents, unless the Agent has been relieved of liability for such under this Agreement.



- 30.2. Agent must maintain a Financial Instrument in the form and amount required by ARC for the joint and several benefit of Carriers and ARC. At no time will the Financial Instrument be less than \$10,000 or more than \$70,000, unless Agent has Associate Branches or becomes subject to the additional operating requirements under Section 34 of this Agreement.
- 30.3. ARC will inform Agent of the required Financial Instrument amount ~~90~~ 30 calendar days prior to the anniversary date of Agent's Financial Instrument. If an adjustment is required, Agent must comply with the new requirement no later than the anniversary date.
- 30.4. If ARC determines Agent has failed to adjust the form or the amount of its Financial Instrument as required by this Agreement, ARC will apply to the Arbiter for an authorization to:
 - 30.4.1. Remove ARC Traffic Documents and notify System Providers to inhibit the issuance of ARC Traffic Documents by Agent and all Agent Locations; and
 - 30.4.2. Notify Carriers that Agent is no longer authorized to issue ARC Traffic Documents.
- 30.5. If at any time, ARC is notified Agent's Financial Instrument will be, or is, no longer valid, ARC will notify Agent (in writing), and will, on the effective date of the cancellation:
 - 30.5.1. ~~Remove ARC Traffic Documents from Agent; and Intentionally omitted;~~
 - 30.5.2. Notify System Providers to inhibit issuance of ARC Traffic Documents by Agent and all of Agent's Locations.
- 30.6. Unless Agent provides to ARC a proper replacement Financial Instrument within 30 calendar days after the cancellation, ARC will terminate this Agreement and take action as directed in Subsections 6.7 and 6.8.
- 30.7. To avoid actions under Subsections 30.4 and 30.5 of this Agreement, Agent may submit a Financial Instrument in the form and amount required by ARC.
 - 30.7.1. The effective date and ARC's acceptance the new Financial Instrument must be no later than the date of cancellation of the lapsed Financial Instrument.

Part V, Section 33

33. Defaults

- 33.1. Section 33 governs the conditions under which ARC may deem Agent to be in default.
- 33.2. Dishonored ARC draft
 - 33.2.3. ARC will notify Agent and Agent's surety if a draft for payment of Agent's Sales Reports is dishonored. Agent agrees to wire funds to ARC to cover any dishonored draft by the close of the next business day.
 - 33.2.4. Agent acknowledges that upon failure to comply with the requirements in Subsection 33.2.1, ARC will take action as directed in Subsection 33.5.
- 33.3. Unreported Sales and Improperly Reported Transactions
 - 33.3.3. ARC will notify Agent if Agent has failed to include in its Sales Report all ARC Traffic Documents issued through the close of the Sales Report Period, or has included other Improperly Reported Transactions.
 - 33.3.4. Unless the Agent wires funds or provides supporting documents within the time frame stated in ARC's notice, to cover the Unreported Sales and/or Improperly Reported Transactions and, where a clear and present danger of substantial loss is present, ARC will take action as directed in Subsection 33.5.
- 33.4. Failure to Submit Sales Reports
 - 33.4.3. If Agent has failed to Submit a Sales Report by the Submission Deadline, ARC will notify Agent.



33.4.4. Unless Agent immediately Submits its Sales Report, ARC will take action as directed in Subsection 33.5.

33.5. Consequences of Failure to Pay for Dishonored Draft(s), Unreported Sales and/or Improperly Reported Transactions, and Failure to Timely Submit Sales Reports

33.5.1. If any of the actions in Subsections 33.2, 33.3, or 33.4 of the ARA occur, ARC will:

33.5.1.1. ~~Withdraw from the Agent, and all Agents and Locations under Common Control with the Agent, all ARC Traffic Documents (paper format); Intentionally omitted~~

33.5.1.2. Notify Carriers; and

33.5.1.3. Notify System Providers to inhibit the issuance of ARC Traffic Documents by such Agent and Locations.

33.6. Compensatory Fees

33.6.1. ARC will assess compensatory fees as described in Section M of the *IAH*, and notify Agent of the amount and the date on which payment will be due.

33.6.2. Agent authorizes ARC to collect the compensatory fee by drafting Agent's designated bank account. Alternatively, Agent must make payment directly to ARC if required by ARC notice.

33.7. If Agent Unable to Satisfy Debt

33.7.1. If Agent does not Submit the required Sales Report(s) or fails to make full payment of all amounts owed to Carriers or ARC, on or before the 31st calendar day after the date of ARC's written notice of a default, this Agreement will terminate automatically and without further notice, unless Agent satisfies the requirements outlined in Section K of the *IAH*.

33.7.1.1 If Agent confirms in writing via email to ARC that it will not be submitting the required Sales Report(s) within 7 calendar days after the date of ARC's written notification of a default, ARC may immediately terminate this Agreement upon notice to Agent, unless Agent satisfies the requirements in Section K of the *IAH*.

33.7.2. In accordance with Section K.5 of the *IAH*, each Agent to whom notice under sections 33.2, 33.3 or 33.4 has been sent will be required to have executed on its behalf and filed with ARC the "Personal Guaranty of Payment and Performance" as set forth in Section G of the *IAH* if the Agent's financial or reporting irregularities under Section 33.2, 33.3 and 33.4 of the ARA create a danger of substantial loss to ARC and/or the carriers.

33.8. Insufficient Settlement Authorizations

33.8.1. If ARC determines that the amount authorized by Agent is less than the amount owed to Carriers for Transactions issued during the Sales Report Period, ARC will notify Agent of the amount due and request that Agent reauthorize its report, provide payment within the time frame stated in ARC's notice, or authorize ARC to draft Agent's bank account for the actual required amount.

33.8.2. If Agent fails to timely pay all amounts owed, or fails to authorize the draft for the required amount, ARC will take such action as it deems appropriate.

34. Requirements for Agents Subject to Additional Operating Requirements

34.1. Agent will be subject to the requirements of this Section if, during any 12-month period, any of the following occur:

34.1.1. Two or more of Agent's drafts for Sales Reports have been dishonored, and are not paid by the close of the following business day after notice from ARC;



- 34.1.2. Two or more of Agent's Sales Reports have not been Submitted by the next business day after notice to Agent from ARC and such Sales Reports are ultimately Submitted prior to the termination date of this Agreement;
- 34.1.3. Agent has been declared in default pursuant to Section 33 of this Agreement and the amount of the default equals or exceeds the amount of Agent's Financial Instrument ; or
- 34.1.4. Agent has been declared in default pursuant to Section 33 of this Agreement two or more times, regardless of the amount of the default; or
- 34.1.5. Two or more of Agent's drafts for Sales Reports have been dishonored within any four consecutive Sales Report Periods (PEDs).
- 34.1.6. **Agent shows unusual business behaviors as described in Section F of the IAH.**
- 34.2. A Sales Report will not be considered late for the purposes of Section 34 if Agent provides evidence of timely Submission or if Agent qualifies for an exemption under the conditions stated in Section K of the IAH.
- 34.3. ARC will notify Agent (in writing) and Carriers 30 calendar days in advance of the date when the additional operating requirements are effective (effective date). The notice will also inform Agent of the additional operating requirements that must be accomplished prior to the effective date stated in the notice. These requirements will include:
 - 34.3.1. A Financial Instrument, in the form required by ARC, and in an amount not to exceed Agent's net cash remittances for the three highest Sales Report Periods within the last 12 months. ARC reserves the right to adjust the amount of the Financial Instrument during the period Agent is subject to the terms of Section 34. However, in no event will the amount be less than Agent's current Financial Instrument; and
 - 34.3.2. ARC's rejection of any application to open additional Location(s) submitted or pending while Agent is subject to this Section; and
 - 34.3.3. Execution and provision of the "Personal Guaranty(s) of Payment and Performance" as set forth in Section G of the IAH within seven calendar days of the date of ARC's written notice; and
 - 34.3.4. Provision of a written action plan, in a form required by ARC, to include for example, details of corrective action designed to prevent additional non-compliance and schedules for submission of financial statements.
- 34.4. Requirements of Subsection 34.3 may also include the establishment of an automatic overdraft protection agreement, to be provided to ARC in writing from Agent's bank.
- 34.5. If Agent is not in compliance with the requirements of Section 34.3 and 34.4 at any time the requirements are in effect, ARC will terminate this Agreement with Agent and take action as directed in Subsections 6.7 and 6.8 of this Agreement.
- 34.6. If, following the effective date of this Section, and Agent's compliance with the provisions of Subsections 34.3 and 34.4 of this Agreement, there are no instances of dishonored drafts, late reports, or defaults within a 12-month period, ARC will remove the additional operating requirements of this Section and notify Carriers.
- 34.7. If, following ARC's notice concerning the additional operating requirements, there is an additional dishonored draft, late report, or default, ARC will notify the Agent. ARC may also notify the System Providers to inhibit the issuance of ARC Traffic Documents by Agent and notify the Carriers. If the specified breach is cured, System Providers will be notified to reinstate the issuance of ARC Traffic Documents, and upon written notice to Agent, the additional operating requirements will be extended for an additional 12 month period. If there are no instances of dishonored drafts, late reports or defaults within the extended 12-month period, ARC will remove the additional operating requirements of this Section and notify Carriers.



- 34.8. Agent may appeal to the Arbiter ARC's determination that Agent is subject to this Section. The appeal will be given expedited consideration, and while the appeal is pending, this Section will continue to apply to Agent unless or until the Arbiter rules in favor of Agent or Agent's compliance with Subsections 34.3 and 34.4.

IAH, Section D, Subsection 2

2. Agents, except for those with Associate Branches (see Section 3 below), must comply with the Financial Instrument requirements indicated below and within Part IV, Section 30, of the Agent Reporting Agreement (ARA).
 - 2.1. As the Agent, you are required to maintain a Financial Instrument in the form and amount required by ARC for the joint and several benefit of Carriers and ARC.
 - 2.2. ARC will notify you of the required Financial Instrument amount ~~90~~30 calendar days prior to the anniversary date of your Financial Instrument. If an adjustment is required, you are required to comply with the new requirement no later than the anniversary date.
 - 2.2.1 **If Agent requires additional time to comply with the new requirement, Agent must provide to ARC written evidence from its financial institution of initiation of the process, including the anticipated completion date, to update its Financial Instrument within the initial 30 day period.**
 - 2.3. ARC will set the amount of the Financial Instrument within a minimum of \$20,000 and a maximum of \$70,000 for the first 2 years following your Agency's inclusion on the ARC Agency List. In your first year, the Financial Instrument is set at \$20,000. For the second year, the amount of the Financial Instrument will be the greater of \$20,000 or the average monthly net cash remittance as determined for a 12-month period, calculated ~~5 months~~ **one month** prior to the anniversary date of your Financial Instrument. The Financial Instrument will not exceed \$70,000, unless your Agency has Associate Branches or becomes subject to the additional operating requirements of Section 34 of the ARA.
 - 2.4. After your Agency has been on the ARC Agency List for at least 2 years, the amount of the Financial Instrument will be the greater of \$10,000 or the average monthly net cash remittance as determined for a 12-month period, calculated ~~5 months~~ **one month** prior to the anniversary date of your Financial Instrument. The Financial Instrument will not exceed \$70,000, unless your Agency has Associate Branches.
 - 2.5. Any required change in the Financial Instrument, or any required adjustment of the amount of the Financial Instrument, will be made each time the Financial Instrument is renewed, reinstated, or replaced, as applicable.
 - 2.6. If ARC determines that the Financial Instrument is less than the required amount, ARC will notify the Agent at least ~~90~~30 calendar days in advance of the anniversary date of the Financial Instrument.
 - 2.7. If a required increase is greater than \$10,000, Agent may increase the Financial Instrument in increments of 25 percent per quarter. The Financial Instrument must be at the required amount prior to the start of the next anniversary date. Contact the Customer Care Center to discuss incremental increases prior to your current anniversary date.
3. Guaranty Levels for Agents with Associate Branches
 - 3.1. For Agents with one or more Associate Branches the minimum Financial Instrument amount is \$70,000 and the maximum \$150,000.
 - 3.2. Agent must maintain a Financial Instrument in the form and amount required by ARC for the joint and several benefit of Carriers and ARC.



- 3.3. ARC will inform Agent of the required Financial Instrument amount ~~9030~~ calendar days prior to the anniversary date of Agent's Financial Instrument. If an adjustment is required, Agent must comply with the new requirement no later than the anniversary date.
- 3.4. The amount of the Financial Instrument will be the average monthly net cash remittance as determined for a 12-month period calculated ~~5 months~~ one month prior to the anniversary date of Agent's Financial Instrument. The Financial Instrument will not exceed \$150,000.
- 3.5. Any required change in the Financial Instrument, or any required adjustment of the amount of the Financial Instrument, will be made each time it is renewed, reinstated, or replaced, as applicable.
- 3.6. After the approval of an Associate Branch, if ARC determines that the Financial Instrument is less than the required amount, ARC will notify the Agent at least ~~9030~~ calendar days in advance of the anniversary date of the Financial Instrument.
- 3.7. If a required increase is greater than \$10,000, Agent may increase the Financial Instrument in increments of 25 percent per quarter. The Financial Instrument must be at the required amount prior to the start of the next anniversary date. Contact the Customer Care Center to discuss incremental increases prior to your current anniversary date.

IAH, Section F

1. Examples of situations where it appears to ARC that there may be or has been fraudulent conduct on the part of the Agent include:
 - 1.1. Failure to include in a report all ARC Traffic Documents issued through the close of the Sales Report Period, even though payment was subsequently made upon demand
 - 1.2. Issuance of ARC Traffic Documents (including Traffic Documents issued for ARC Pay transactions and other transactions) against a credit card without the cardholder's authority, or against a stolen or otherwise fraudulent credit card
 - 1.3. Failure to account for missing ARC Traffic Documents or for flight, exchange, or service coupons
 - 1.4. Permitting alteration, omission, or other falsification of original ARC Traffic Documents or on any reissue
 - 1.5. Falsification of reports, Traffic Documents, or other documents
 - 1.6. Use and misuse of IAR that results in reporting cash refunds against sales made on credit cards
 - 1.7. Permitting the unlawful or unauthorized access or use of an airline or System Provider computer reservations system owned, leased or controlled by it in connection with the issuance of ARC Traffic Documents
 - 1.8. Engaging in a pattern of potential "bust-out" activity, such as a sudden, sharp fluctuation of sales, refunds, exchanges, voids, etc.
 - 1.9. Issuing and/or reporting through IAR, duplicate or invalid Credit Memos or other supporting documents, e.g., vouchers and/or credit certificates
 - 1.10. In the absence of specific permission of the Carrier, (a) using any credit card which is issued in the name of the Agent, or in the name of any of the Agent's owners or personnel, or in the name of any third party, for the purchase of air transportation for sale or resale to other persons, or (b) including in a Sales Report or reporting to the Carrier the sale of any air transportation as a credit card transaction where at any time the Agent bills, invoices, or receives payment in cash from the customer for such air transportation
 - 1.11. Submitting for refund, exchange or reissuance an ARC traffic document or transaction that has been used or has already been refunded, exchanged, or reissued
 - 1.12. Use or misuse of IAR that, for example, prevents the proper reporting of all sales or results in



Improperly Reported Transactions, including improperly reported exchanges or refunds

- 1.13. Misuse or manipulation of IAR and ARC Traffic Documents. This may include, for example, issuance, refund and/or exchange of tickets that are not intended for travel by a bona fide passenger.
- 1.14. Unless otherwise permitted by the ARA, manipulation or alteration of any transaction that has been identified as error-free by a System Provider.