



Expedited Exchanges

Frequently Asked Questions

Why is ARC expediting exchanges to daily processing?

Accelerating refunds and charges resulting from exchanges means customers will no longer wait up to 10 or more days for the funds to be credited or debited to their account when exchanging airline tickets through the agency channel. This improves the customer experience as it reduces customer inquiries about refunds, resulting in less manual work for agencies and more closely aligns with the experience customers have in the airline's direct channel.

What are the benefits to the Agencies?

Agencies benefit from the improved customer experience resulting from timely billing and refunds and fewer inquiries into their billing or refund status.

What are the benefits to the Airlines?

Expediting exchanges has been a top priority for many airlines due to several benefits. Some of them are listed below:

- Optimize revenue accounting and cash projections by outputting exchange data faster.
- Reduce credit card expenses when additional collection exchanges are processed faster, saving substantial interchange fees.
- Reduce the volume of customer help desk calls inquiring about late refunds on credit cards.

What are the benefits to the Cardholders?

Cardholders experience the following benefits:

- Faster billing/refunds to their credit card when an exchange results in an additional collection or refund.
- Reduce chargeback inquiries initiated due to delayed refunds for exchange transactions resulting in funds owed to the cardholder.



What do I need to do to prepare for this change?

Expedited exchanges impact the lockdown of error-free exchange transactions to match the modify/void windows for Sales and Refunds. The error-free exchange transactions will be locked down and processed daily. To be prepared, ARC suggests you reconcile your sales report daily, including clearing all transaction errors. More information can be [found here](#) in our Exchange Best Practices Guide.

Does this impact my Back Office System (BOS) processes?

For IAR BOS users, yes, this may impact your BOS reconciliation process. If your agency uses IAR BOS Detail files, you may need to add the “EXCH” qualifier in your Scheduled Tables settings for each day's BOS creation. You may also want to update the scheduled days that BOS files are created for your agency. Reconciliation of exchanges can no longer wait until the following Tuesday's sales report authorization deadline – be sure to verify exchanges daily. You may also want to check with your BOS vendor to ensure they know ARC's modified reporting schedule to expedite exchanges.

When will error-free exchanges be locked down in IAR and expedited to the new schedule?

The project to expedite-exchanges is planning to go live on 11/02/23 (Thursday). For the week of transition of PED 11/05/2023, the schedule for error-free Exchanges (including error-free MCOs and EMDs) will be:

- Issued on Mon (10/30/23) → Locked down on Thurs (11/02/23) at 11:59:59 p.m. ET.
- Issued on Tue (10/31/23) → Locked down on Thurs (11/02/23) at 11:59:59 p.m. ET.
- Issued on Wed (11/01/23) → Locked down on Thurs (11/02/23) at 11:59:59 p.m. ET.
- Issued on Thurs (11/02/23) → Locked down on Fri (11/03/23) 11:59:59 p.m. ET.
- Issued on Fri, Sat & Sun (11/03/23 – 11/05/23) → Locked down on Mon (11/06/23) 11:59:59 p.m. ET.

Note: After 11/02/23, all error-free transactions (Sales, Refunds, Exchanges) will be locked down the next business day at 11:59 p.m. ET.

When will airlines receive error-free exchanges on the CAT during the first week of implementation?

Expedited Exchanges goes live on Thursday, 11/02/23. Airlines will see error-free exchanges on Saturday, 11/4/23, CAT Cycle 2. Going forward, error-free exchanges will be included in each processing cycle, except null cycles 4 and 5. For details on the ARC Reporting and Processing Schedule, please refer to TIES (Transaction Information Exchange Standards) Chapter 4.



The post-implementation daily CAT schedule for the first week is:

- Cycle 1 – Fri, 11/03/23 includes Mon (10/30/23) & Tue (10/31/23) Sales & Refunds.
- Cycle 2 – Sat, 11/04/23 includes Wed (11/01/23) Sales & Refunds, Mon (10/30/23), Tue (10/31/23) & Wed (11/01/23) error-free Exchanges.
- Cycle 3 – Sun, 11/05/23 includes Thu (11/02/23) Sales, Refunds & error-free Exchanges.
- Cycle 4 – Mon, 11/06/23 is a Null Cycle.
- Cycle 5 – Tue, 11/07/23 is a Null Cycle.
- Cycle 6 – Wed, 11/08/23 includes Fri (11/03/23) & Sat (11/04/23) Sales, Refunds & error-free Exchanges.
- Cycle 7 – Thu, 11/09/23 includes Sun (11/05/23) Sales, Refunds & error-free Exchanges. Additionally, Debit memos, Credit memos, Agency Automated Deductions, remaining Exchanges, and ARC Pay for the week.

What transactions and documents are included as part of Expedited Exchanges?

Error-free exchange lock-down will match the next business day void/modify windows followed for sales and refunds. The project to expedite exchanges impacts the following transaction/document type(s):

- Error-Free Exchange Transactions
- MCOs – All MCOs, except ARC Pay transactions.
- EMDs – All EMDs will be expedited to match the current void/modify window.

What document(s) are not part of Expedited Exchanges?

The following document type(s) processing is not part of expediting error-free exchanges:

- ARC Pay transactions
- Credit Memos
- Debit Memos
- Recall Commission Statements
- Agent Automated Deductions (AADs)

These document type(s) will continue to be processed and transmitted at the end of the reporting week.

Will all exchanges get locked down as part of Expedited Exchanges?

No. Only the exchange transactions that do not have an IAR error status (identified by the status 'E' in IAR) will be locked down and processed as part of Expedited Exchanges.



What is the void/modify window for exchange transactions?

The void/modify window for exchanges will match the void/modify window for sales and refunds.

1. For exchange transactions received from the GDSs, you may void/modify any error-free transactions in the IAR sales report until 11:59 p.m. Eastern Time (ET) of the next business day after the GDS ticket issuance.
2. For manually keyed/entered exchange transactions in IAR, you may void/modify those error-free transactions until 11:59 p.m. ET on the same day.
3. For exchange transactions issued on a Friday, Saturday, or Sunday, you may void/modify those error-free transactions on Monday until 11:59 p.m. ET.

What is the void/modify window for exchange transactions when there is a holiday?

When the day to void/modify falls on an ARC-recognized holiday, an extension to the next business day is automatically granted.

If the exchange loads in error and I fix all IAR-identified errors in the exchange after the void/modify window has passed, when does the exchange transaction get locked down?

An exchange transaction that loads with an IAR-identified error, if rectified after the void/modify window has passed, will be locked down immediately. This means that further changes to the exchange transaction will not be allowed.

For example: If an exchange transaction issued in the GDS on Monday loads with an error status to IAR on Tuesday, which is then corrected on Wednesday, Thursday, Friday, or the following Monday or Tuesday (prior to the submission of the report), the exchange will be locked down immediately upon clicking the ET (End Transaction) button.

What happens when the error is not corrected on an exchange during the suggested period?

Correcting all errors and reconciling your sales reports daily is highly recommended. Exchange transactions with an IAR-identified error status that are not corrected within that sales reporting PED are moved or rolled over to the next IAR sales report PED with a dual status of "OE" (Out of Period and Error). (Source: Industry Agents' Handbook, Pg. 44, Section: 'Error Correction')

What can I do if I forget to link a residual value MCO or EMD to an exchange transaction before it gets locked down?

Once the exchange transaction gets locked down and processed (the data is sent to the airline), you do not have any option to modify it. A residual value MCO or EMD should be issued on the same day that the



exchange is issued to create a single exchange transaction (companion exchange). (Source: [Industry Agents' Handbook, Pg. 116, Section: 'Exchanges with Non-Refundable Residual Value'](#))

Will IAR link a residual value document to its exchange as a companion when issued the day after the primary exchange?

IAR automatically links a residual value document to an exchange to create a companion exchange transaction when the following conditions are met:

1. The correct linking criteria are included on the residual value document at the time of GDS issuance.
2. When the associated exchange transaction has not already been reported to the airline.

This means that:

- When the residual value document is issued on the same day as its associated exchange, the two documents should interface to IAR on the same day, allowing IAR to link the two transactions to create a single companion exchange transaction.
- When the residual value document and its associated exchange are issued on separate days, IAR can link the two documents only when the exchange has not already been reported to the airline.

ARC recommends that daily verification in IAR that all residual value documents (MCOs and EMDs) are correctly linked to their associated exchange. For instructions on how to issue a residual value MCO or EMD so that it automatically links to an exchange to create a companion exchange, please refer to the TAC for [PED 11/12/2023](#).

How can I handle the lost residual value on an exchange?

The preferred method to correctly process the lost residual value on an exchange is by increasing the exchange penalty amount in the GDS prior to issuing the new ticket.

When a carrier does not allow residual value resulting from an exchange to either be transferred to an MCO or EMD for future use or does not allow the residual value to be applied to any exchange administration fee/penalty, this is known as forfeited value or a "Use It or Lose It" exchange. However, before you issue the new ticket in this type of exchange situation, it is recommended that you increase the exchange penalty amount to include the residual value so that the new exchange interfaces to IAR for the correct exchange total. (Source: [Industry Agents' Handbook, Pg. 118, Section: 'Exchanges with Non-Refundable Residual Value- Note'](#)).

If I forget to increase the penalty amount on an exchange in the GDS to account for forfeited residual value, can I fix it in IAR?



If you do not increase the penalty amount before issuing the new exchange transaction in your GDS, you can still manually modify the exchange after it loads to IAR the following business day. To remove the forfeited residual value from the exchange in IAR, you may either increase the amount in the

'Admin/Penalty' field on the Exchange Support screen or the 'Adjustment' field on the Exchange Summary screen.

How can I contact ARC's Customer Care Center (CCC) for assistance?

You may contact Customer Care by email at ccchelp@arccorp.com. An ARC Customer Care Team representative will respond within one business day.

If your concern is time-sensitive, please call 1-855-816-8003 to speak with a representative.

Customer Care Hours: Monday – Tuesday 9:00 a.m. ET - 9:00 p.m. ET

Wednesday – Friday 9:00 a.m. ET - 7:30 p.m. ET