



The parties to this ARC VTC Program Agreement (“VTC Agreement” or “Agreement”) are Airlines Reporting Corporation (“ARC”) and Verified Travel Consultant whose VTC Application has been approved in writing by ARC (“VTC”) (collectively “Parties”). To the extent that there is a conflicting provision, the VTC Agreement shall govern. Capitalized terms not otherwise defined herein, are given the meaning ascribed to them, in the VTC Application or VTC Agreement.

The purpose of this Agreement is to address the way in which VTC may utilize ARC’s products and services in the VTC Program and to outline the rights and obligations of the Parties.

In consideration of these statements and the mutual covenants and agreements that follow, the Parties acknowledge, understand, and agree as follows:

Part I: Scope of Agreement

1. This Agreement;
 - 1.1 Becomes effective between ARC and VTC on the date shown in ARC’s written notice approving VTC’s application;
 - 1.2 Governs the terms and conditions under which VTC is authorized to access and use ARC’s products and services in the VTC program;
 - 1.3 Covers all of VTC’s locations approved in writing by ARC;
 - 1.4 Supersedes any and all prior agreements, unless otherwise stated in another document to which ARC and VTC are a party; and
 - 1.5 Incorporates by reference the latest version of “VTC Program Handbook” (“VTC Handbook”), “ARC Pay Agreement” and “My ARC Terms of Use” available on ARC’s website.

Part II. VTC Use of ARC Tools and Online Services.

2. ARC provides various online services (collectively referred to in this Agreement as “ARC Tools” or “Tools”) through which VTC communicates or transacts business with ARC, including and not limited to, the My ARC web portal, Interactive Agent Reporting (IAR), ARC Pay, ARC Memo Manager and ARC Accreditation Tool.

2.1 VTC’s use of and access to ARC Tools are subject to the terms of this VTC Agreement, ARC Pay Agreement, and the VTC Handbook, and any other written instructions relating to ARC Tools.

2.2. VTC acknowledges and agrees that any communication or business transaction with ARC through an ARC Tool (e.g., an application, form, or request) by the VTC’s My ARC Primary Administrator and/or any



individual who has been granted access to the ARC Tool by the VTC's My ARC Primary Administrator or Tool Administrator, will be deemed to have been submitted and authorized directly by VTC. 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 VTC.

Part III. Operating Requirements: VTC Ownership, Location, Bank Account Information, Operational Email & Affirmation.

3.1 VTC may exercise the authority granted herein only under the ownership as identified in the VTC Application, places of business operated by the VTC and designated bank account that have been approved in writing by ARC.

3.1.1 VTC's owners, officers, authorized place of business and designated bank account may only be changed upon written approval by ARC pursuant to the process described in the VTC Handbook and other instructions provided in writing by ARC.

3.2 VTC's will ensure that all business information remains current. VTC must electronically affirm compliance with eligibility, retention, and operating requirements of this VTC Agreement, including but not limited to, ownership status and other personnel requirements, at a minimum on an annual basis as determined by ARC.

3.3 VTC must provide Operational e-mail Address for receiving directives and other critical notices from ARC. VTC must notify ARC (in the form and manner prescribed by ARC) of any change to VTC's operational e-mail Address within one (1) business day of the change.

3.3.1 Failure to provide ARC with timely notification of VTC's change of e-mail address does not relieve VTC of liability for adhering to the requirements of this VTC Agreement, and the VTC Handbook.

Part IV. VTC Representations and Warranties.

4. Pertaining to VTC's participation in ARC's VTC Program, VTC represents and warrants to ARC as follows:

4.1 The VTC is at all times legally authorized, registered, and licensed, according to federal, state, and local requirements to conduct business in the United States and is in good standing and appropriately licensed to do business as required under applicable state and local law.

4.1.1 The VTC location should be located in the United States and has all the requisite licenses of the jurisdiction in which it is located



4.1.2 The name of the VTC or any information displayed on any website or mobile application owned, operated, or used, is not the same as, or misleadingly similar to, an airline's name or any information displayed on airline's website or mobile application, unless authorized by the airline to do so. This includes any name involving the terms "ARC", "Airline(s)", "Air(s)", "Flight(s)", "Fly", "Fare(s)" or "Reservation(s)". Any website or mobile application owned, operated, or used must not include any text, color scheme, layout, or design similar to those of any airline in a manner that could be considered misleading, as determined by ARC at its sole discretion, and must not include any images containing airline's logo or branded aircraft imaging or other marks, without the airline's prior written consent. Representatives of the VTC must not communicate or make any representations to any third-party, whether directly or indirectly by phone, e-mail, social media or any other method, that they are employed by, Affiliated with, subcontracted by, or otherwise represent any airline.

4.2 All of VTC's employees who work in the United States are authorized to work lawfully in the United States.

4.3 Except to the extent that the VTC advises ARC to the contrary, each and every officer of the VTC that has been disclosed to ARC as part of the application or amendment process, shall have the requisite authority to bind the VTC with respect to any instructions issued by ARC and any and all agreements or terms of service with ARC.

4.4. The VTC and its individual owners and officers never at any time:

4.4.1. Currently have and/or previously had a financial interest in, or a connection or affiliation with any terminated or canceled VTC or with any ARC-accredited entity or VTC previously canceled or terminated from the ARC Agency List. During the application process, the prospective VTC can contact ARC to assist in verifying this information.

4.4.2. Currently have and/or previously had a financial interest in, or a connection or affiliation with any ARC accredited entity or VTC presently in default or suspended under the provisions of the ARC Agent Reporting Agreement (ARA), the VTC Agreement or the ARC Pay Agreement;

4.4.3. Have been convicted of a felony, or a misdemeanor related to financial activities or fraud, or been found by a court of competent jurisdiction to have committed a breach of fiduciary duty involving the use of funds of others;

4.5. All information and materials submitted on the VTC Application are true and correct.

*** For the purposes of this subsection, references to cancellation or termination from the ARC Agency List includes but is not limited to cancellation or default under the Agent Reporting Agreement, the CTD Reporting Agreement, the VTC Agreement, the ARC Pay Agreement and the Passenger Sales Agency Agreement, and its predecessor Sales Agency Agreement, of the Air Traffic Conference of America, as well as the ARP List of Agents and ARP Agent Agreement.**



Part V. Indemnification, Waiver of Claim and Liability.

- 5.1. VTC agrees to indemnify and hold ARC harmless from all responsibility and liability for any damage, expense, or loss to any person or thing caused by or arising from any negligent act, omission, or misrepresentation of VTC, or for any use, misuse or unauthorized use of Log-in Credentials or any On-line Services, , by VTC, its representatives, agents, employees, or servants relating directly or indirectly to the performance of the duties and obligations of the VTC under the VTC Agreement.
- 5.2. VTC will indemnify and hold harmless ARC from any and all damage, expense, or loss, on account of the use, loss, misuse, misapplication, theft, forgery or unlawful use of ARC Traffic Documents, ARC Numbers, Log-In Credentials or other supplies furnished by ARC to the VTC.
- 5.3. Attorney's Fees. VTC agrees to reimburse ARC for expenses and reasonable attorney's fees incurred by ARC in connection with ARC enforcing or defending any terms and conditions of this Agreement.

Part VI. ARC's Right to Audit and Expenses.

- 6.1. VTC agrees that ARC may, at any time without prior notice, audit and/or inspect VTC's books and records that pertain to VTC's participation in the VTC Program to determine whether VTC is in compliance with this Agreement,
- 6.2. If ARC uses legal counsel to enforce its right to inspect VTC's books and records, because VTC failed or refused to permit an inspection pursuant to the VTC Agreement VTC shall reimburse ARC for all costs incurred by it, and for the reasonable fees of its attorneys if ARC's demand is adjudicated or otherwise resolved in ARC's favor.

Part VII. Custody and Security of ARC Traffic Documents (Electronic Format) and Transactional Data

- 7.1. The VTC shall exercise reasonable care in the issuance or disclosure of ARC-issued numbers used in an electronic format ("ARC Traffic Documents"), to prevent the unauthorized issuance or use of such traffic documents. "Reasonable care" includes, but is not limited to, adhering to VTC Agreement and instructions in the VTC Handbook.
- 7.2. All ARC Traffic Documents supplied to the VTC **shall be held in trust for ARC by the VTC** until issued for transactions available in the VTC Services Program, or until otherwise satisfactorily accounted for to ARC pursuant to this VTC Agreement.

Part VIII. Reports and Settlement.

8. VTC agrees to comply with all of the terms and conditions of the VTC Handbook, specifically as it relates to reporting and settlement requirements.



Part IX. Credit Card Transactions.

9.1. The VTC agrees not to disclose to, or otherwise give, any third party the name or account number appearing on any credit card, or any document or form on which such names or account numbers appear, except as may be necessary for the VTC to perform its obligations under this VTC Agreement.

9.2. In addition to the VTC's compliance with the terms and conditions of this VTC Agreement and any and all terms and conditions included in the VTC Handbook concerning the reporting and settlement of credit card transactions, the VTC shall abide by any and all terms and conditions established by each credit card issuer with respect to a financial transaction employing each credit card, including but not limited to, terms and conditions regarding security, customer identity, the preservation of original or electronic records, and verification of card usage as described in VTC Handbook.

9.3. Following termination of this VTC Agreement, credit card information and all supporting documentation containing personal data shall be maintained in a secure and confidential manner until returned to ARC or destroyed in a secure manner.

9.4. In collecting, processing, and personal data, including credit card information, the VTC shall treat the data in a secure and confidential manner, disclosing it only to those whom it is contractually bound to do so and consent to inspection by ARC in the event of a data security breach.

9.5. VTC shall comply with the requirements of PCI-DSS (Payment Card Industry Data Security Standard) as applicable, incorporated by reference herein.

Part X. Payment, Fees & Financial Security.

10.1. VTC agrees to pay any and all fees required by and consistent with this VTC Agreement and VTC Handbook, including but not limited to, fees for service, processing, annual participation fee, application fee, compensatory and administrative fees (including fees associated with ARC On-line Services).

10.2. All fees and payments due to ARC shall be drafted against the VTC's designated bank account, unless ARC directs VTC in writing to make payment directly to ARC.

10.3. A compensatory fee may be charged by ARC for reimbursement for dishonored drafts unreported and/or improperly reported transactions.

10.4. VTC authorizes ARC to collect all fees related to participation in the VTC program, including those described in this section, by drafting the VTC's designated bank account.



10.5. ARC reserves the right to change the fees at any time.

10.6. ARC reserves the right to assess a fee for any new, modified, or enhanced services related to the VTC Program and/or ARC's On-line Services that may be offered to the VTC in the future.

10.7. ARC in its sole discretion may require the VTC to provide a financial security in favor of ARC to ensure that the VTC will be able to make prompt and appropriate payment for services rendered under this VTC Agreement. Such security may be a cash reserve taken from the VTC's processing or a cash security deposit.

Part XI. Notices.

11.1 Except as otherwise provided in this VTC Agreement, any notices that are required to be given in writing must be sent using any of the following:

11.1.1 e-mail,

11.1.2 U.S. mail

11.1.3 Fax

11.1.4 government licensed delivery service that provides a shipping receipt, air bill, or documentation of delivery, addressed to address on file for the VTC or the address listed above by ARC.

11.2. The effective date of notices, for the purpose of calculating any delivery requirements, will be the date such notice was mailed, e-mailed, faxed, or placed in the hand of a government licensed delivery service.

11.3. Any notice that is not required to be made in writing can be delivered by any common method including those mentioned above, telephone, IAR message board, or notice on ARC's corporate websites, such as My ARC.

11.4. ARC will deliver notices to VTC Operational email address or office address on record with ARC. For notices to ARC, VTC should send such notices via email to ARC's Customer Care Center ccchelp@arccorp.com

Part XII. Amendments to this Agreement

12.1. ARC may alter or amend the terms of VTC Agreement and the VTC Handbook at any time. ARC shall give notice of any such change to VTC by email ("Notice of Modification" or "Notice").

12.2. The amendments shall be included in electronic communication and/or posted on the ARC website or the My ARC website. All modifications shall be effective as of the date of the Notice of Modification ("Effective Date") unless the notice states otherwise.

12.3. If VTC does not agree to the modification as set forth in any such Notice of Modification, VTC must immediately cease use of ARC's services and notify ARC in writing in the form that ARC requires, that it is terminating the VTC



Agreement and its participation in the VTC Program. Continuing performance by VTC under the VTC Agreement, or continued use of ARC's On-line services or any services in the VTC Program by the VTC following the Effective Date, including, but not limited to, VTC's continued use of its assigned ARC number, will constitute clear, unequivocal, and convincing evidence of VTC's acceptance of all modifications identified in the Notice of Modification and its agreement to be bound by the amended VTC Agreement.

12.4. VTC and ARC agree that if VTC fails to notify ARC in writing by the Effective Date stated in the Notice of Modification or continues use of ARC's online services or any services in the VTC Program following the Effective Date, VTC shall be deemed to accept all modifications identified in the Notice of Modification and to accept and confirm any modifications made in any prior Notices of Modification.

Part XIII. Prohibition Regarding Assignment of this VTC Agreement, and Requirements Regarding Changes of Ownership.

13.1. This VTC Agreement may not be assigned, sold, or transferred by the VTC without the prior written approval of ARC.

13.2. If VTC wishes to change its ownership, officers, or status (e.g., location, bank account, My ARC Primary Administrator, etc.), VTC must notify ARC prior to the change and submit an application in the form and manner required by ARC, including all fees and required documents, as described in the VTC Handbook.

Part XIV. Termination.

14.1 ARC or VTC may terminate this VTC Agreement any time for any reason, by giving notice as set forth in this VTC Agreement and the effective date of termination shall be the date stated in such notice.

14.2. Upon termination of VTC Agreement, ARC will prohibit VTC's access to and use of VTC Program services and will inhibit the transmission of electronic records for the issuance of such transactions by VTC.

14.3. Additionally, VTC must cease any and all use of ARC Traffic Documents (paper or electronic format), all ARC Number(s) and any other ARC issued designator.

Part XV. Choice of Law, Jurisdiction and Venue.

15.1 This VTC Agreement, including all attachments shall be consummated in Arlington, Virginia, USA and the principal services performed on behalf of the VTC by ARC shall occur in the Commonwealth of Virginia.



15.2 This VTC Agreement shall be construed in accordance with, and governed by, the laws of the Commonwealth of Virginia. State and Federal courts of the Commonwealth of Virginia will have jurisdiction over all matters arising under this Agreement.

Part XVI. Waiver. A waiver by any party of any breach or default by another party will not be construed as a waiver of any other breach or default whether or not similar and whether or not occurring before or after the subject breach.

Part XVII. Severability.

If any provision of this VTC Agreement is held invalid in a court of law or equity, the remaining provisions will remain in full force and effect and will be construed as if the invalid provisions were not included in this VTC Agreement

Part XVIII. Force Majeure.

18.ARC will be excused hereunder, for any period it is prevented from performing/providing any service or obligations pursuant hereto in whole or in part as a result of delays by suppliers or vendors, which are outside of ARC's control, including an act of God, war, civil disturbance, court order, labor dispute, severe weather, mechanical equipment failure or other occasional cause beyond its reasonable control, to include shortages, fluctuations, and/or interruptions in electrical power, heat, light or air conditioning, and such non-performance shall not be a ground for termination.

Part XIX. General (SPMI - Affiliate)

ARC and its Affiliates may from time to time receive funds from VTC pursuant to this Agreement, including but not limited to any Financial Instruments and cash security deposits that may be required hereunder, and ARC agrees, on behalf of itself and its Affiliates, that ARC and/or its Affiliates shall manage such funds (less any fees due and payable from time to time to ARC and/or its Affiliates) during the term of this Agreement.

Part XX. General Definitions

Accreditation

Applicant's application and Location(s) have been approved by ARC and have been included on the ARC Agency List

Affiliate

Any individual person or Entity that, directly or indirectly, controls, or is controlled by, or is under common control with, any other individual person or Entity.

**ARC Agency List**

The list owned and maintained by ARC, which includes, among other things, the name, address, and ARC Number(s) used to identify each Location that has been approved by ARC.

ARC Number

ARC's 8-digit identifier of each VTC location

ARC Traffic Document

All industry standard forms and documents that ARC may provide to the VTC, in trust, and for which the VTC is responsible. This term includes Carrier's own traffic documents provided to ARC for processing reporting, settlement, and administration under this Agreement.

ARA (Airline Reporting Agreement)

Agreement between an ARC Accredited Ticketing Agent and ARC (Airlines Reporting Corporation) on behalf of the Carriers that are parties to the ARC Carrier Services Agreement which appoint the under the ARA

Location

A place of business operated by the VTC that is both approved by ARC and on the ARC Agency List.

Entity

Includes, but is not limited to, a sole proprietor, corporation, partnership, association company, or firm