



Subject line: ARC – Notice of Changes to the Agent Reporting Agreement (ARA)

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Following ARC's consultation with travel agency representatives, ARC's board of directors has approved certain updates to the Agent Reporting Agreement (ARA) and corresponding sections of the Industry Agents' Handbook (IAH) as provided below. These updates reflect ARC's ongoing effort to ensure that all Agents fully comply with the ARA. This particularly includes those seeking to voluntarily terminate their relationship with ARC; these changes provide ARC with sufficient flexibility to resolve the financial and other obligations of a voluntarily terminating Agent.

Summary of Changes

Part I: Scope of Agreement, Section 6.1:

Background

The previous process led to inconsistency in the format and content of voluntary termination notices; ARC seeks the ability to create a standard form/format in order to ensure operational efficiency. The prior language unduly restricted ARC to a maximum 14- day period, or left it to the Agent's discretion, in which to ensure satisfactory conclusion of the relationship with the Agent. This is not always a sufficient timeframe in which to do so, i.e., resolving financial obligations may take longer. ARC's ability to approve the finalization of voluntary terminations mitigates financial and operational risks to carriers and ARC.

Changes

6. Termination of this Agreement

6.1. Agent may submit ~~a written notice of 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 14 calendar days after receipt of notice or on the date indicated in Agent's notice, whichever is later~~, subject to the fulfillment by each of the parties of all obligations under this Agreement.

These changes will take effect on January 9, 2023. Please note that, in accordance with Section 5 of the ARA, your continued participation with ARC after January 9, 2023, serves as your acceptance of the amendments.

If you have any questions, please contact ARC's Customer Care Center at 855-816-8003 or ccchelp@arccorp.com.