

Airlines Reporting Corporation (ARC) Specialist Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which IAR radio button is appropriate for processing a full refund?**
 - A. A full refund**
 - B. A full refund with exchange**
 - C. A partial refund**
 - D. A partial refund with exchange**

- 2. What information does the Sales Summary provide after being printed?**
 - A. Detailed transaction breakdown**
 - B. Confirmation number and agency details**
 - C. A summary of all sales including total amounts**
 - D. Feedback for agency performance review**

- 3. Which action is an Agent allowed to take without authority from the ticketing carrier?**
 - A. Exchange any traffic document previously issued by another agent.**
 - B. Exchange any traffic document previously issued by another carrier.**
 - C. Issue an ARC traffic document in exchange for a document previously issued by the Agent naming another carrier as ticketing.**
 - D. Issue an ARC traffic document in exchange for a document naming the same carrier as ticketing.**

- 4. The SERV CARR ID field on the IAR Financial Details screen relates to which carrier?**
 - A. Originating carrier.**
 - B. Validating carrier.**
 - C. The GDS providing the automated ticketing service.**
 - D. Country of commencement of international travel.**

5. What is the deadline for submitting your electronic IAR Sales Report?

- A. Midnight on Sunday for the current PED**
- B. Monday midnight the same as ECCB**
- C. Tuesday midnight Eastern Time**
- D. Thursday midnight if you are reporting for more than 10 locations**

6. What condition could warrant the need for a Personal Guaranty from an agent?

- A. When the agency is in a major metropolitan area**
- B. When the agency has been open less than one year**
- C. When the agency works with high-end clients**
- D. When the agency shows financial instability**

7. When refunding the following fare calculation, how much base fare is refunded if the fare noted is 88.86?

- A. A. 40.93**
- B. B. 43.93**
- C. C. 81.86**
- D. D. 88.86**

8. What is the total value of all PFCs on the itinerary IAD to MSP to SEA?

- A. \$6.00**
- B. \$7.50**
- C. \$10.50**
- D. \$12.00**

9. What type of transaction is it when a client brings in an unused ticket worth \$1,000 and wants a new ticket worth \$800?

- A. Even Exchange**
- B. Exchange with Add/Collect**
- C. Partial Refund**
- D. Refund with Exchange**

10. In which scenario would a carrier request a statement from ARC?

- A. For every document returned**
- B. When discrepancies arise from the Sales Summary**
- C. When an agency goes out of business**
- D. When tickets are sold at a discount**

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Answers

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1. A
2. C
3. D
4. C
5. C
6. D
7. D
8. C
9. D
10. B

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Explanations

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1. Which IAR radio button is appropriate for processing a full refund?

- A. A full refund**
- B. A full refund with exchange**
- C. A partial refund**
- D. A partial refund with exchange**

The correct choice for processing a full refund in the IAR (Invoice Adjustment Reporting) system is the option indicating a full refund. This option specifically denotes that the entire amount paid for the ticket is to be refunded to the customer without any deductions or adjustments related to exchanges, fees, or other factors. Using the full refund radio button ensures that the transaction accurately reflects the intent to return all funds to the passenger. It is essential for maintaining clear records and ensuring customer satisfaction, as passengers expect a seamless and complete refund process when they cancel a ticket or request a refund. In contrast, the other options relate to either partial refunds or include elements of exchange, which do not align with the requirement for a full refund, making them inappropriate for this scenario. Selecting the appropriate option is crucial for compliance with airline policies and maintaining accurate financial records.

2. What information does the Sales Summary provide after being printed?

- A. A detailed transaction breakdown**
- B. Confirmation number and agency details**
- C. A summary of all sales including total amounts**
- D. Feedback for agency performance review**

The Sales Summary is designed to consolidate financial data about sales transactions into a clear and concise report. When printed, it provides a summary of all sales, which includes the total amounts collected during a specific period. This information is vital for agencies to understand their overall sales performance, monitor revenue trends, and make informed business decisions. The summary typically aggregates the financial figures, making it easy for agencies to see how much revenue has been generated without delving into the granular details of each transaction. It is particularly useful for financial reporting, reconciling accounts, or preparing for audits. Thus, understanding the total amounts presented in the Sales Summary helps agencies maintain financial health and strategic planning.

3. Which action is an Agent allowed to take without authority from the ticketing carrier?

- A. Exchange any traffic document previously issued by another agent.**
- B. Exchange any traffic document previously issued by another carrier.**
- C. Issue an ARC traffic document in exchange for a document previously issued by the Agent naming another carrier as ticketing.**
- D. Issue an ARC traffic document in exchange for a document naming the same carrier as ticketing.**

The correct answer highlights the ability of an agent to issue an ARC traffic document when exchanging a document that names the same carrier as the ticketing carrier. This action falls within the scope of an agent's authority because it aligns with the guidelines set forth by ARC regarding ticketing and document exchanges. Agents are responsible for ensuring the documents they process are valid and compliant with regulations. When an agent exchanges a ticket issued by the same carrier, they are not violating any protocols since the original ticket is already validated within that carrier's system. This maintains consistency and ensures that any fiscal adjustments or necessary documentation processes follow the established rules without needing extra approval or authorization from the carrier. In contrast, the other options involve exchanges that may cross carrier boundaries or deal with tickets issued by different entities, which would require additional authority or oversight to ensure compliance with relevant regulations and policies. For example, exchanging documents issued by another agent or another carrier might not adhere to the established practices required for ticket validity and can introduce complexities that necessitate approval from the respective ticketing carrier.

4. The SERV CARR ID field on the IAR Financial Details screen relates to which carrier?

- A. Originating carrier.**
- B. Validating carrier.**
- C. The GDS providing the automated ticketing service.**
- D. Country of commencement of international travel.**

The SERV CARR ID field on the IAR Financial Details screen is primarily linked to the Global Distribution System (GDS) that is facilitating the automated ticketing service. This field captures the identification of the carrier involved in the ticketing process, which is instrumental for transaction tracking and reconciliation purposes within the airline reporting and financial processes. Understanding the role of the GDS in this context is crucial because it acts as the intermediary that processes bookings made by travel agents or other entities. By associating the SERV CARR ID with the GDS, the system ensures accurate communication of ticketing data and financial transactions, which is essential for proper accounting and reporting. The other options pertain to different aspects of airline operations: the originating carrier refers to the service provider that operates the first leg of the journey, while the validating carrier relates to the airline that issues the ticket for travel that may involve multiple carriers. The country of commencement addresses the geographical starting point of international travel, but these do not reflect the function that the SERV CARR ID primarily serves in relation to GDS operations.

5. What is the deadline for submitting your electronic IAR Sales Report?

- A. Midnight on Sunday for the current PED**
- B. Monday midnight the same as ECCB**
- C. Tuesday midnight Eastern Time**
- D. Thursday midnight if you are reporting for more than 10 locations**

The correct deadline for submitting your electronic IAR (Instantaneous Airline Reporting) Sales Report is Tuesday midnight Eastern Time. This timing is critical as it aligns with the operational processes involved in the reporting cycle. By having a clear and consistent deadline, ARC is able to ensure that all sales data is collected, processed, and analyzed efficiently. Establishing the deadline on Tuesday gives travel agencies a bit of additional time following the end of the sales period on the previous Sunday to finalize and double-check their data, thus ensuring accuracy in the information submitted. Adhering to this timeline helps maintain the integrity and reliability of the reports that are essential for financial and operational assessments. This choice is particularly important for agents and agencies that need to manage their reporting accordingly and can help prevent late submissions that might result in complications or additional administrative challenges.

6. What condition could warrant the need for a Personal Guaranty from an agent?

- A. When the agency is in a major metropolitan area**
- B. When the agency has been open less than one year**
- C. When the agency works with high-end clients**
- D. When the agency shows financial instability**

A Personal Guaranty is often required as a security measure to mitigate risk for airlines and other suppliers when an agency demonstrates signs of financial instability. This condition indicates that the agency may not have a strong financial foundation or a reliable cash flow, which poses a higher risk for unpaid tickets or insolvency. By obtaining a Personal Guaranty, the airline or supplier ensures that if the agency fails to meet its financial obligations, the individual providing the guaranty will be personally liable for those debts. This provides an additional layer of security and reduces the financial risk associated with extending credit or forming partnerships with less stable agencies. The other conditions mentioned may influence an agency's operations or market positioning, but they do not inherently signify a higher risk of financial instability that would necessitate a Personal Guaranty. For example, being located in a major metropolitan area or working with high-end clients may have benefits but do not directly correlate with the agency's financial stability. The length of time in operation can also be misleading; a newer agency could be financially stable while an established one might be struggling. Thus, financial instability is the definitive condition that can lead to the necessity of a Personal Guaranty.

7. When refunding the following fare calculation, how much base fare is refunded if the fare noted is 88.86?

- A. A. 40.93**
- B. B. 43.93**
- C. C. 81.86**
- D. D. 88.86**

When determining the amount of base fare refunded, it is essential to understand the structure of airline fares. In this case, the question specifies a fare of 88.86, which represents the total amount paid for the ticket. Generally, if a fare is eligible for a complete refund according to the airline's policies, the entire fare amount would be refunded. The total fare typically includes components such as base fare, taxes, and any additional fees. If no restrictions are applied and the fare is fully refundable, then the refund amount would correspond directly to the total fare paid. Since the response is based on the assumption that the full fare is refundable, the base fare refunded equals the full amount paid, which is 88.86. Understanding these basics of fare structuring and refund eligibility rules is crucial for anyone working in airline ticketing and refunds. By recognizing the total fare as the basis for comparable refunds, you can efficiently manage both customer expectations and the airline's financial policies.

8. What is the total value of all PFCs on the itinerary IAD to MSP to SEA?

- A. \$6.00**
- B. \$7.50**
- C. \$10.50**
- D. \$12.00**

To determine the total value of Passenger Facility Charges (PFCs) for the itinerary from Washington D.C. (IAD) to Minneapolis (MSP) to Seattle (SEA), it is important to understand the nature of PFC fees. PFCs are fees collected from passengers to fund airport improvement projects and are assessed based on the leg of travel. In this scenario, each airport involved in the departure and arrival has an associated PFC. For instance, IAD typically charges a PFC of \$4.50, and both MSP and SEA also include their own PFC fees, which could be \$4.50 each for a total of three legs being charged for PFCs. When calculating the total PFCs for the itinerary consisting of three segments (IAD to MSP, MSP to SEA), if each segment has a PFC of \$4.50, the total would be $\$4.50 \times 3 = \13.50 . However, if considering that only the first departure airport (IAD) and the final arrival airport (SEA) contribute to the PFC charges, the total would sum up to $\$4.50 + \$4.50 = \$9.00$. If the correct answer

9. What type of transaction is it when a client brings in an unused ticket worth \$1,000 and wants a new ticket worth \$800?

- A. Even Exchange**
- B. Exchange with Add/Collect**
- C. Partial Refund**
- D. Refund with Exchange**

In this scenario, the ideal answer is "Exchange with Add/Collect." When a client presents an unused ticket valued at \$1,000 and desires a new ticket costing \$800, this transaction involves both the value of the unused ticket and the cost of the new ticket. The previous ticket's value does not provide a full credit towards the new ticket, as there is a remaining balance after applying the value of the unused ticket. This means the client must pay the difference, which is \$800 for the new ticket. Therefore, this situation fits the criteria for an exchange combined with an add/collect action, where the client is exchanging a higher-value ticket for a new, lower-value ticket but also paying the difference that remains after the credit from the unused ticket is applied. The notion of a refund does not apply here since the client is not asking for a return of cash; instead, they are opting to use the value of the original ticket towards a new purchase, indicating an exchange rather than a refund. The other options similarly do not encapsulate the nature of the transaction accurately, as this is primarily an exchange scenario driven by the transaction of issuing a new ticket based on the original ticket's value.

10. In which scenario would a carrier request a statement from ARC?

- A. For every document returned**
- B. When discrepancies arise from the Sales Summary**
- C. When an agency goes out of business**
- D. When tickets are sold at a discount**

A carrier would request a statement from ARC particularly when discrepancies arise from the Sales Summary. This scenario involves situations where there are inconsistencies or differences in reports related to sales made by agencies. The Sales Summary is an important document that summarizes the sales activity of travel agencies, and if a carrier notices any discrepancies, it needs clarification and accurate data for proper accounting and reconciliation purposes. By requesting a statement from ARC, the carrier aims to resolve these discrepancies efficiently. In other scenarios, such as when an agency goes out of business or if tickets are sold at a discount, the nature of the request might not specifically pertain to obtaining a statement from ARC. Instead, these situations could involve other types of communications or proceedings that do not directly relate to discrepancies in sales reporting.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://arcspecialist.examzify.com>

We wish you the very best on your exam journey. You've got this!

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