AIRLINES REPORTING CORPORATION (ARC) SPECIALIST TRAINING PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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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.

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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!

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Questions

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1. **A $15 discrepancy due to a missing commission is discovered on the Agent Sales Summary. If the discrepancy is within 12 weeks, how is the problem best resolved?**

   A. Debit Memo

   B. Credit Memo

   C. Manual adjustment

   D. Agent Automated Deduction if less than 12 weeks old

2. **In IAR BOS context, what does the acronym PED stand for?**

   A. Projected Ending Date

   B. Payment End Date

   C. Period Ending Date

   D. Process End Date

3. **The Correspondence section of the Memo details screen in ARC Memo Manager allows you to add:**

   A. Public and Private Comments

   B. Customer Feedback

   C. System Alerts

   D. Internal Notes Only

4. **An ARC accredited agent's actual order quantity is calculated by:**

   A. Subtracting the ARC accredited agency's current inventory from their maximum supply allowance.

   B. Subtracting the maximum supply allowance from current inventory.

   C. Adding current inventory to maximum supply.

   D. Multiplying inventory by allowance.

5. **Which statement is true regarding void deadline time references for IAR and GDS?**

   A. IAR uses ET and GDS uses ET

   B. IAR uses local time and GDS uses ET

   C. IAR uses ET and GDS uses local time

   D. IAR uses PT and GDS uses ET

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6. ARC provides which six key functions and services in support of ASP?

A. ARC Accreditation

B. Provides Ticket Stock

C. Processes Ticketing Transactions

D. Financial Settlement`,`Auditing`,`Training

7. ARC accredited agents should:

A. Review their IAR sales report daily to check for errors and verify that all of the ticket transactions are in their IAR sales report.

B. Review their IAR sales report weekly to check for errors.

C. Avoid reviewing the IAR sales report unless there is an issue.

D. Only review the report at year end.

8. Which statement about ARC Memo Manager is true?

A. It is a web-based product that automates memo distribution and settlement for both ARC participating carriers and ARC accredited agencies.

B. It is a mobile app for customers.

C. It replaces all existing accounting systems.

D. It stores memo data for 12 months.

9. To meet the initial $20,000 financial security requirement, a new agency may provide ARC with which instrument?

A. A personal guarantee

B. A cashier's check

C. A letter of credit

D. A surety bond

10. Which of the following is a benefit of DRS?

A. TRA's have access to 39 months of their IAR ticketing data

B. Reduces storage costs

C. All of the above

D. Can be used to facilitate and resolve disputes

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Answers

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

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Explanations

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1. A $15 discrepancy due to a missing commission is discovered on the Agent Sales Summary. If the discrepancy is within 12 weeks, how is the problem best resolved?

A. Debit Memo

B. Credit Memo

C. Manual adjustment

D. Agent Automated Deduction if less than 12 weeks old

When a missing commission discrepancy is discovered within 12 weeks, the appropriate resolution is to use the Agent Automated Deduction. This process automatically recovers the missing amount by deducting it from the agent's upcoming commissions, which streamlines the correction and keeps settlements accurate without manual entries. Debit or credit memos and manual adjustments are generally used for discrepancies outside this 12-week window or when automation isn't applicable, so they're less efficient for a recent issue.

2. In IAR BOS context, what does the acronym PED stand for?

A. Projected Ending Date

B. Payment End Date

C. Period Ending Date

D. Process End Date

PED stands for Period Ending Date. In the IAR BOS context, this date defines the end of the reporting period used for organizing and reconciling transactions and settlements. It determines which transactions are included in a given period's calculations: any activity dated on or before the period ending date belongs to that period, while the next period starts the day after. This is not a forecasted project end, a payment due date, or a process completion date, but the fixed date that marks the boundary of a reporting period. For example, with a period ending date of 30-Apr-2024, all BOS activity up to and including 30-Apr-2024 is counted in that period's reports and settlements.

3. The Correspondence section of the Memo details screen in ARC Memo Manager allows you to add:

A. Public and Private Comments

B. Customer Feedback

C. System Alerts

D. Internal Notes Only

The key idea is that the Correspondence section is designed to capture both outward-facing and internal notes in one place. It lets you add comments that can be public, visible to customers or other external or internal readers, as well as private comments meant only for internal staff. This dual capability supports clear communication with clients while preserving internal context, audits, and privacy where needed. Customer feedback isn't part of this section's function—it's input from clients, not notes attached to the memo itself. System alerts are automated messages, not user-entered correspondence. Internal notes only would restrict visibility to internal staff, which defeats the purpose of having both public and private note types.

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4. An ARC accredited agent's actual order quantity is calculated by:

A. Subtracting the ARC accredited agency's current inventory from their maximum supply allowance.

B. Subtracting the maximum supply allowance from current inventory.

C. Adding current inventory to maximum supply.

D. Multiplying inventory by allowance.

This question tests how to determine the actual order quantity by bringing the agent's inventory up to the allowed maximum. The correct approach is to subtract the current inventory from the maximum supply allowance. This difference tells you exactly how many units to order so the total inventory reaches the permitted maximum. For example, if the maximum supply allowance is 100 units and the current inventory is 60, the actual order quantity would be 40 units. Why this is the right way: you want to reach, but not exceed, the maximum limit. Subtracting current from max provides this precise amount. If you subtract in the opposite order, you'd get a negative number, which isn't a feasible order quantity. Adding the two figures would push you beyond the limit, and multiplying them doesn't reflect how many units you should order to meet a cap.

5. Which statement is true regarding void deadline time references for IAR and GDS?

A. IAR uses ET and GDS uses ET

B. IAR uses local time and GDS uses ET

C. IAR uses ET and GDS uses local time

D. IAR uses PT and GDS uses ET

The rule about void deadlines is designed around where the processing window is anchored. For IAR, the deadline is expressed in Eastern Time, providing a single, standard reference point for centralized processing. For GDS, the deadline uses the local time of the agency's location, so the cutoffs align with the agent's own business hours and time zone. This combination prevents cross time zone confusion: an IAR void must be submitted by the ET cutoff, while a GDS void must be submitted by the local-time cutoff of the station. If you're working across time zones, this means you'll convert accordingly to ensure you meet the correct deadline.

6. ARC provides which six key functions and services in support of ASP?

A. ARC Accreditation

B. Provides Ticket Stock

C. Processes Ticketing Transactions

D. Financial Settlement`,`Auditing`,`Training

ARC supports ASP with six key functions and services: accreditation, ticket stock provisioning, processing ticketing transactions, financial settlement, auditing, and training. Accreditation is foundational because it certifies that an ASP meets ARC's standards and is authorized to operate within the system. Without accreditation, the other services wouldn't be in scope or recognized by ARC, since every ASP must first satisfy the eligibility and compliance requirements. The other five elements enable the practical operations: ticket stock ensures authorized tickets are available for issuance; processing ticketing transactions records and transmits ticket data; financial settlement handles the money flows and reconciliations; auditing verifies accuracy and compliance; and training keeps personnel up to date with procedures and rules. While accreditation is essential, the six-key-set includes all of these items together, not just accreditation alone.

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7. ARC accredited agents should:

A. Review their IAR sales report daily to check for errors and verify that all of the ticket transactions are in their IAR sales report.

B. Review their IAR sales report weekly to check for errors.

C. Avoid reviewing the IAR sales report unless there is an issue.

D. Only review the report at year end.

Daily verification of the IAR sales report is essential to keep the agency's sales data accurate and complete. By reviewing the report every day, you can confirm that every ticket issued is reflected in the IAR sales report, spot errors or mis-postings early, and verify that all transactions are accounted for. This proactive check supports correct settlements with ARC and airlines and makes monthly and year-end reconciliations much smoother. Waiting to review the report weekly or only at year-end allows discrepancies to accumulate, increasing the risk of missed tickets, duplicate entries, or incorrect commissions. Avoiding review unless there's an issue misses the ongoing control needed to maintain clean, reliable records.

8. Which statement about ARC Memo Manager is true?

A. It is a web-based product that automates memo distribution and settlement for both ARC participating carriers and ARC accredited agencies.

B. It is a mobile app for customers.

C. It replaces all existing accounting systems.

D. It stores memo data for 12 months.

ARC Memo Manager is designed to streamline how memos are shared and settled within the ARC ecosystem. Being web-based means stakeholders access it through a browser, enabling centralized, real-time distribution of memos and tracking of their settlement status for both ARC participating carriers and ARC accredited agencies. This setup supports efficient communication and faster settlement without requiring separate software installs for each user. It isn't a mobile app for customers, since the tool targets business users inside the ARC network rather than end consumers. It also doesn't replace all existing accounting systems; its purpose is to automate memo flow and settlement within the existing financial processes, working alongside an organization's own systems rather than substituting them entirely. The idea of storing memo data for a fixed period like 12 months isn't the defining feature here, as data retention is governed by policy and not the principal benefit of Memo Manager.

9. To meet the initial $20,000 financial security requirement, a new agency may provide ARC with which instrument?

A. A personal guarantee

B. A cashier's check

C. A letter of credit

D. A surety bond

A bank-backed instrument that provides a ready, irrevocable guarantee of funds is the best fit for ARC's initial security needs. A letter of credit creates an irrevocable bank guarantee up to a set amount, allowing ARC to draw on it if there are charges or shortfalls. This gives ARC immediate access to funds and shifts the risk to the bank, rather than relying on the agency's own assets or cash on hand. Personal guarantees depend on an individual's assets and are less reliable for ARC. A cashier's check is funds actually paid upfront but is a fixed amount and not a revolving or easily adjustable security facility. A surety bond offers protection but involves a claims process and may not provide the same immediacy as a letter of credit. Hence, the letter of credit best satisfies the initial $20,000 security requirement.

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10. Which of the following is a benefit of DRS?

A. TRA's have access to 39 months of their IAR ticketing data

B. Reduces storage costs

C. All of the above

D. Can be used to facilitate and resolve disputes

DRS in ARC is designed to streamline how disputes are handled and how data is accessed and stored. The first benefit is access to extended historical IAR ticketing data—up to 39 months—so a Trade/Travel Retail Agent can pull older records to verify transactions and support reconciliation during a dispute. The second benefit is reduced storage costs, since data is centralized in DRS rather than each party maintaining its own copies of large IAR datasets. The third benefit is that DRS provides the tools and workflow to facilitate and resolve disputes, enabling parties to compare records, gather evidence, and reach settlements more efficiently. Taken together, these capabilities describe multiple practical advantages, which is why "all of the above" is the best answer.

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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://arcspecialisttraining.examzify.com

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

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