

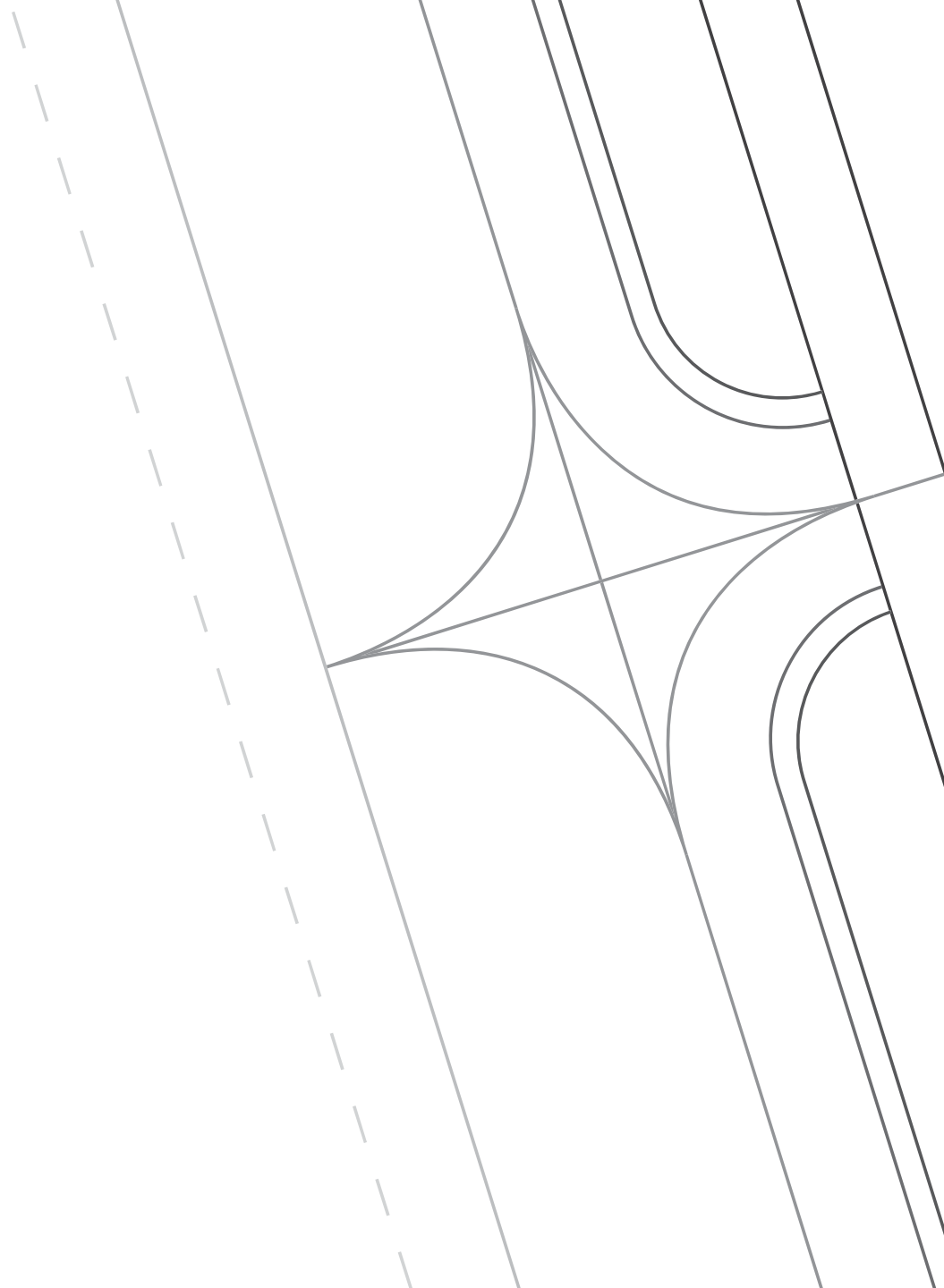
ARC

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MIKE HERRITY

Director, Financial Operations

arccorp.com



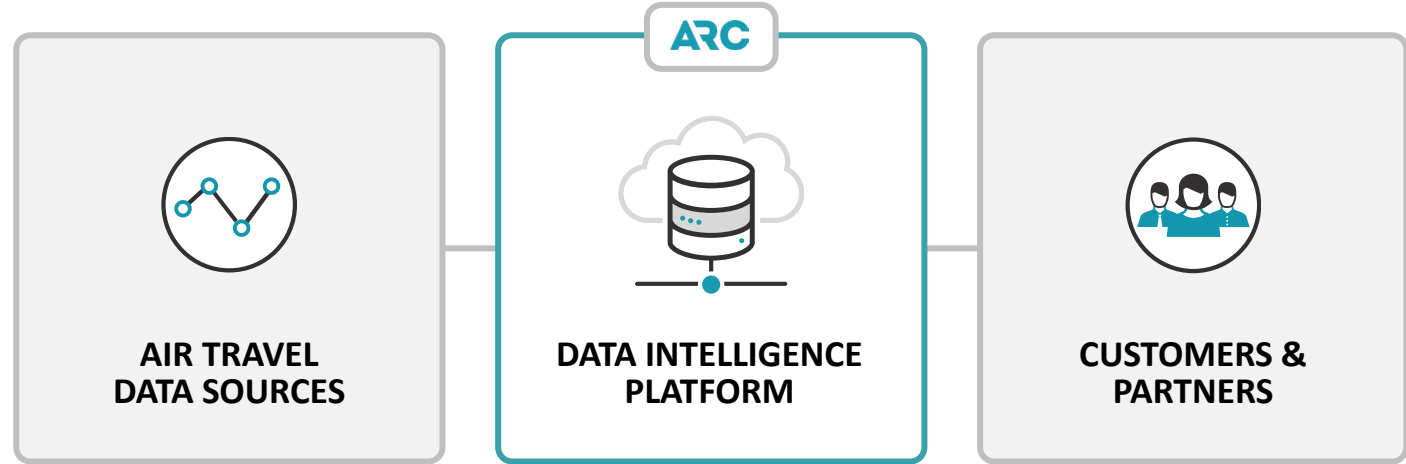


- What's our vision in the industry
- 2023 in Review
- What's next for settlement

Our Vision

Be the preferred provider of data and services for airlines and their partners.

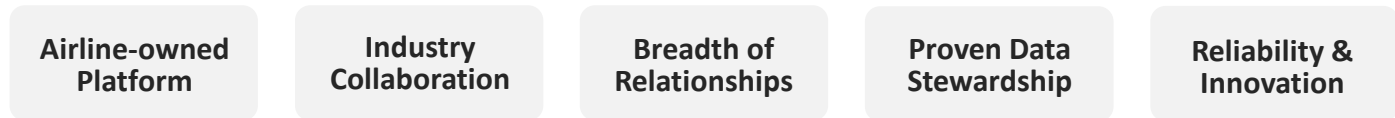
Our platform connects the airline distribution ecosystem ...



... facilitating efficient data exchange ...

From airline sales performance to partner accreditation and sales settlement.

... via a set of core enablers



Our 3-Year Strategy

ARC is evolving to solve for changing needs in airline distribution and retailing. We will expand our capabilities by continuing to modernize Distribution Financial Services, lead Industry Standards and Best Practices, and grow ARC's Data Intelligence Platform.

A black and white photograph of a man with glasses and a beard, wearing a light-colored button-down shirt, sitting at a desk in a dark room. He is looking intently at a large computer monitor and using a stylus to interact with the screen. The room is dimly lit, with several out-of-focus light sources in the background. In the top left corner, there are faint, abstract geometric patterns consisting of lines and dots.

2023 in Review

ARC

ARC Core Business (2023)



188M
2023 Tickets
Processed



\$95B
2023 Air Sales

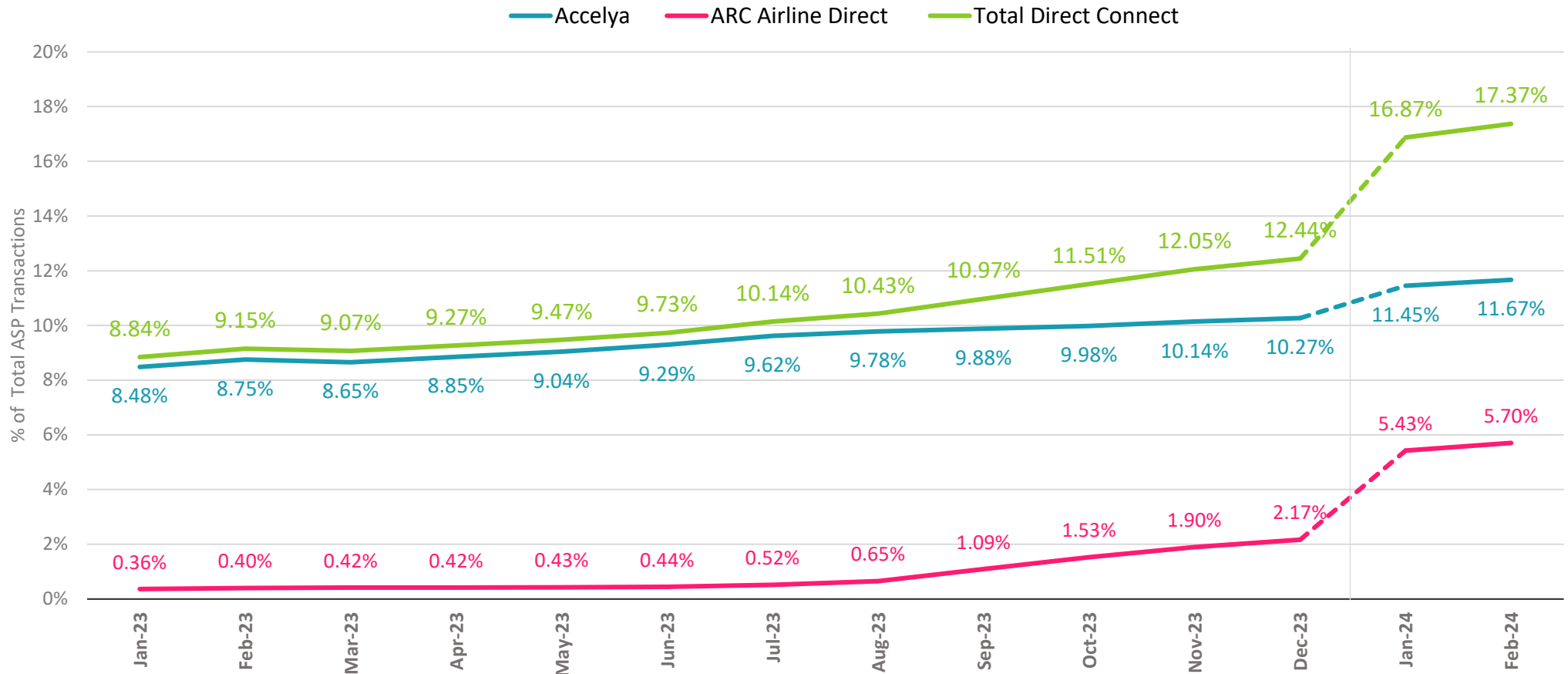


235
Participating
Carriers



10,270
Accredited Agency
Locations

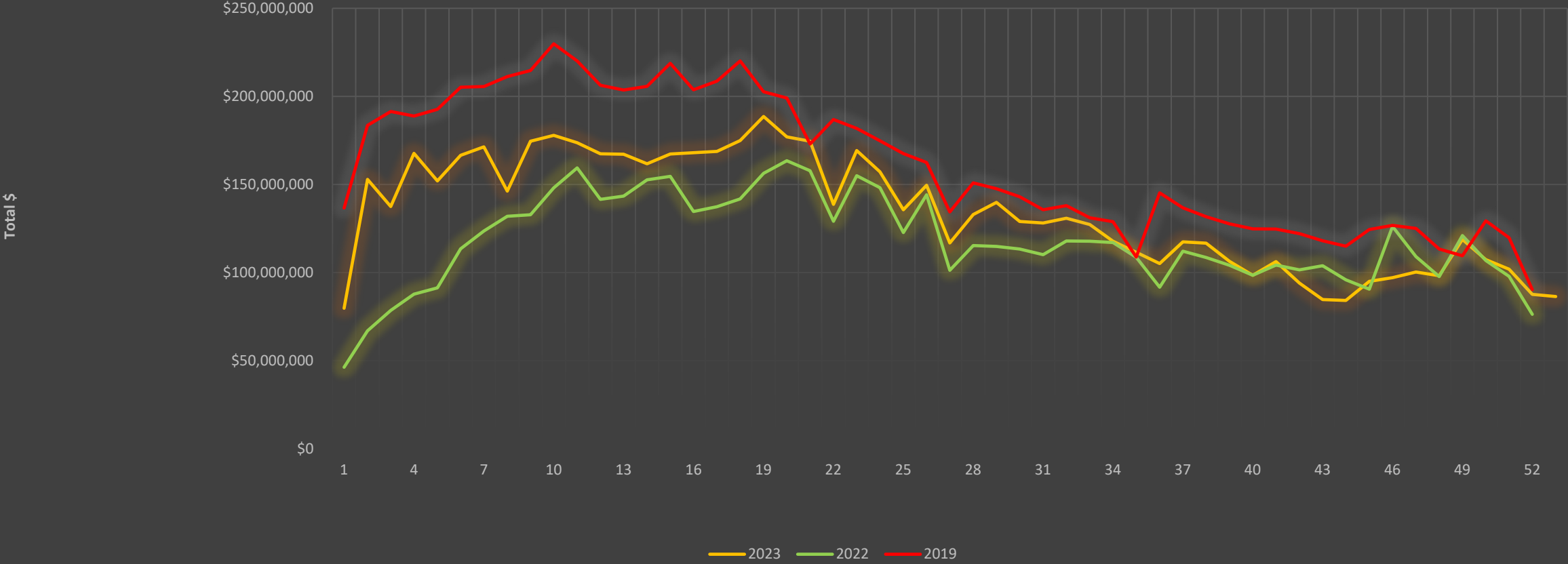
YTD % of Total ASP Transaction Volume



Data by calendar month of date of issue. Includes all transaction types. 2024 reflects % for one month rather than the cumulative average including prior months.

Carrier Cash Settlements

Carrier Disbursements by Week



2023 – Modernizing Reporting and Settlement



Zero-Value Transactions - Implemented October 5

- Even exchanges, infant tickets and zero-dollar refunds can be reported and settled with a credit card payment.
- Improves data integrity and reduces manual intervention.



NDC Verification Database Bypass - Implemented October 5

Enables airlines to optionally bypass ARC's transaction verification business rules for refunds and exchanges.

- Prevents NDC transactions from being returned to the airline in error.



Enhanced Commission - Implemented October 12

- ARC supports commission rates to the hundredth decimal place (e.g., 1.35%).
- Gives airline and agency added options for up-front commission.

2023 - Modernizing Reporting & Settlement



Expedited Exchanges – Implemented November 2

- Error-free exchanges and other document types are sent on the same schedule as sales and refunds.
- Accelerates the output of settled exchanges up to six days faster.
- Reduces airline credit card fees when the exchange has an associated refund.



Modernized Seven Settlement Applications – Throughout 2023

- ARC modernized seven external applications, providing more stability and preparing for future enhancements.

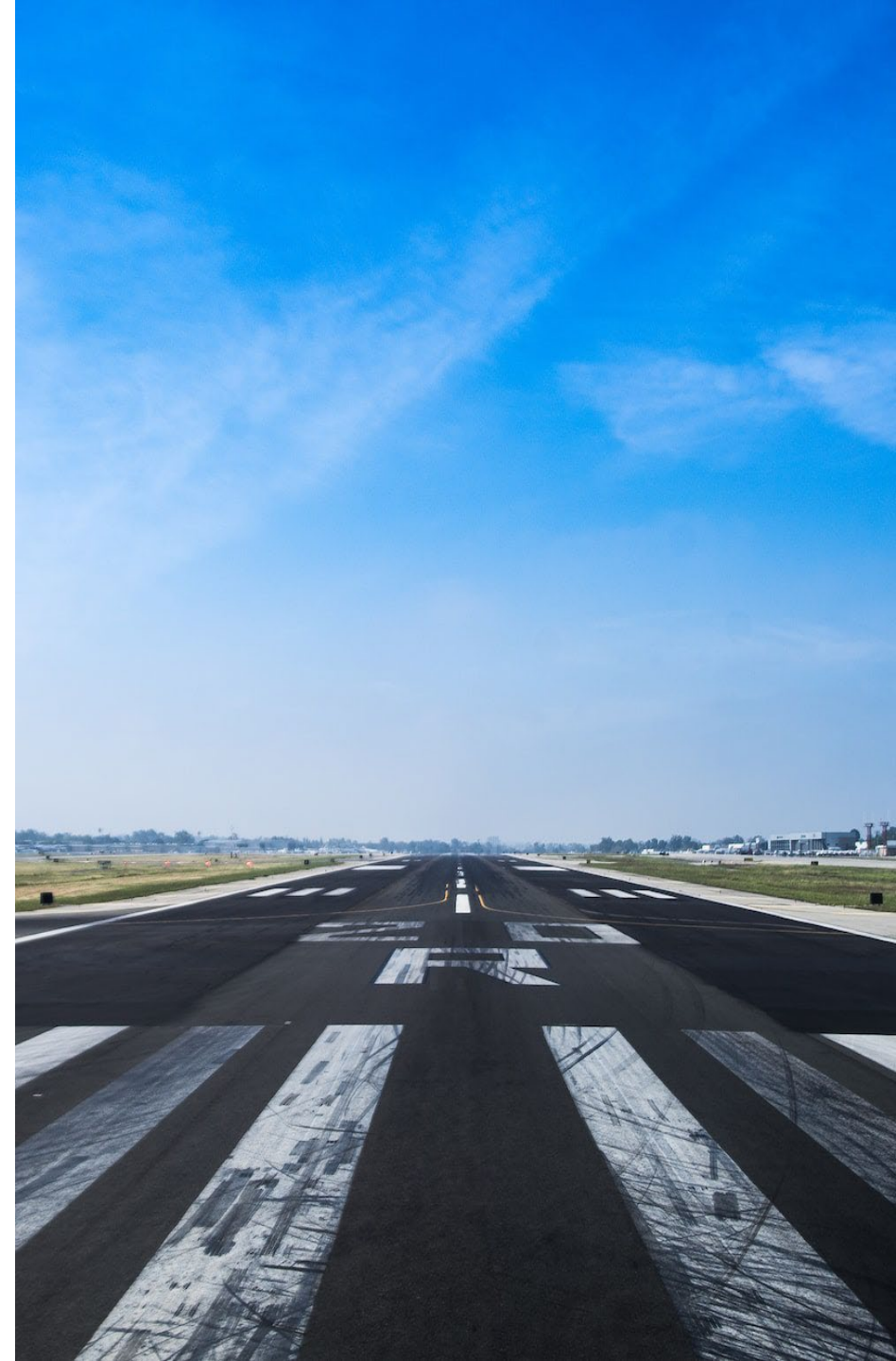
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NDC ADVANCEMENT WORKING GROUP (NAWG)

Our Focus

Provide a forum for the industry to collaborate on matters negatively impacting NDC adoption by TMCs.

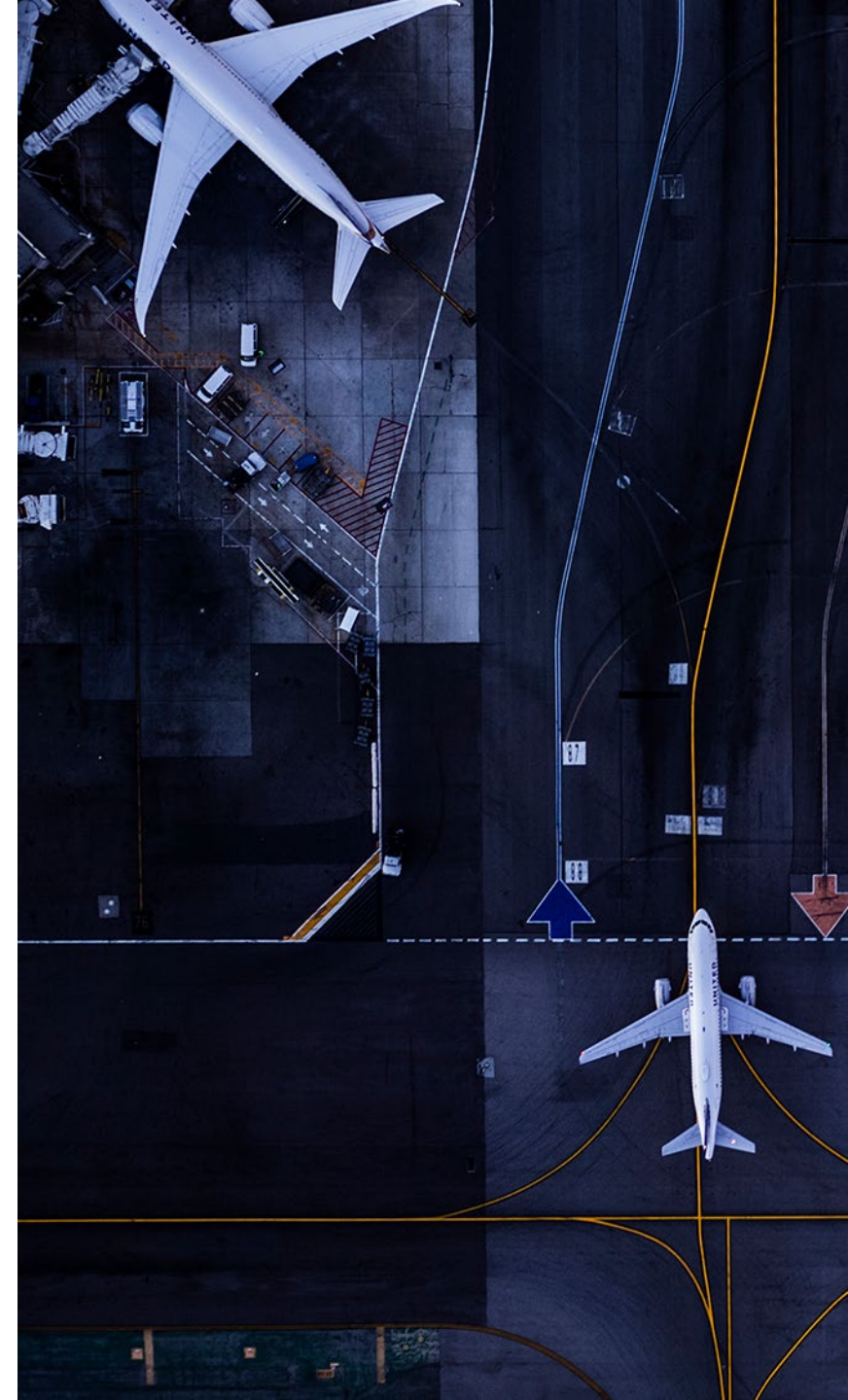
Identify best practices (e.g., standards/normalization) for handling non-competitive business processes in order to accelerate NDC adoption by TMCs.



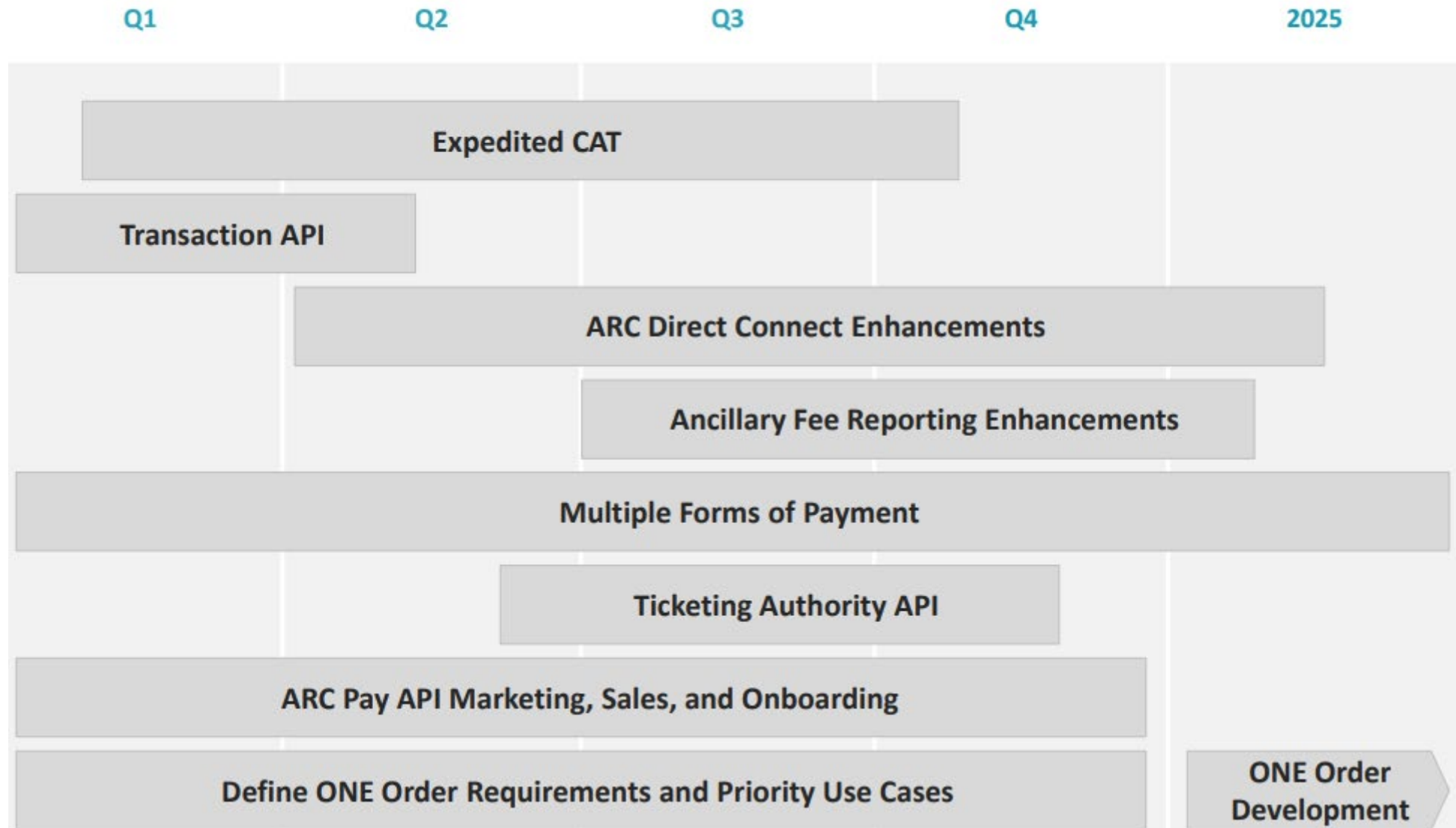
NDC Advancement Working Group (NAWG)

Discussion topics identified by the TMCs:

- Unused tickets
- Operations and servicing
- Fare and void rules
- Debit Memos
- Schedule changes and notifications



2024 Deliverables



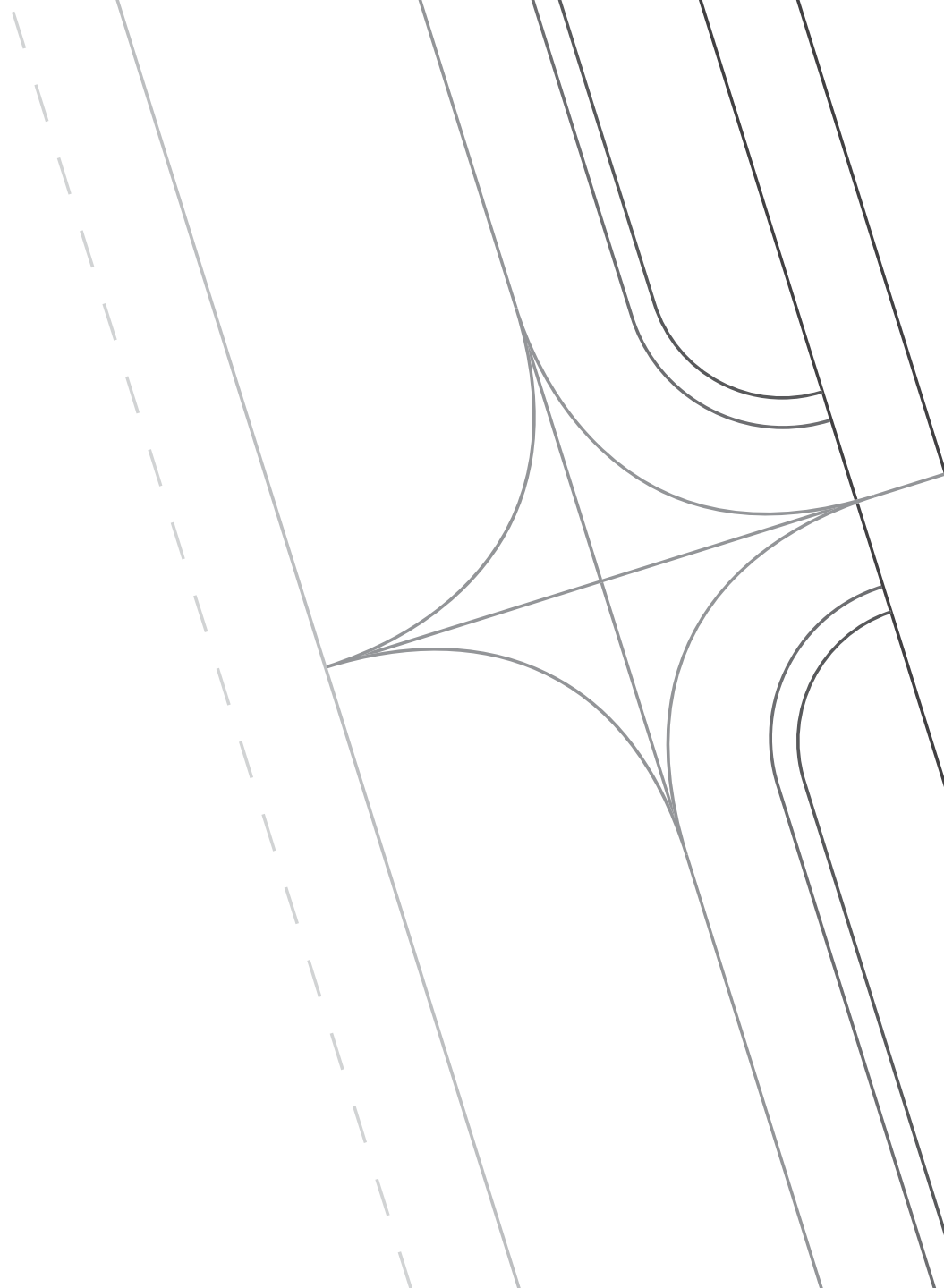
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What do these numbers represent?

84,365

29,120

83,200



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Thank you

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