

**Sample Exam Questions to help prepare for the Minimum Education Standards
Supervisor/ Manager Exam**

Answer Sheet

1. John is a student who has decided to create his own company to provide walking tours in his hometown of Thunder Bay. Some tourists book a tour, but because John has the flu, he does not show up. The tourists complain to TICO that their afternoon was ruined. Why is TICO unable to assist these consumers?
 - a. a tour guide is considered to be an end supplier and is therefore exempt from registering with TICO
 - b. John should have registered with TICO because he is providing a type of travel service
 - c. having the flu is considered to be a *force majeure*, so the tourists have no grounds for complaint
 - d. anyone selling guide or sightseeing services in Ontario is exempt from having to register with TICO

2. Ontario Regulation 26/05 states that a person who has not registered with TICO in the previous 12 months must provide a
 - a. refundable security deposit of \$10,000.00
 - b. non-refundable security deposit of \$10,000.00
 - c. promissory note, authorized by a lawyer, in the amount of \$10,000.00
 - d. refundable security deposit of \$25,000.00

3. A man has violated the *Travel Industry Act, 2002* by providing services as a travel agent without actually being registered. As a result of his conviction, the penalty could be
 - a. a fine of not more than \$50,000
 - b. imprisonment for a term of not more than two years less a day
 - c. a fine of not more than \$250,000
 - d. both a fine of not more than \$50,000 and imprisonment for a term of not more than two years less a day

4. The time limit for prosecuting offences under the Act is no more than _____ after the Director first becomes aware of the facts on which the proceeding is based. Fill in the blank with the correct answer from one of the following:
 - a. six months
 - b. one year
 - c. two years
 - d. five years

5. The landlord of the building where ABC Travel Agency is located, is planning a major renovation. ABC Travel is forced to find another location until the renovation is completed. What is ABC Travel's duty as far as TICO is concerned?
- the agency must inform TICO, in writing, at least five days before the move
 - the agency need not inform TICO, because the move is only a temporary one
 - the agency need not inform TICO as long as the agency changes its phone message and puts a note on the door of its main premises to alert customers of the temporary relocation
 - the agency must inform TICO within a reasonable time of the move, even though it is only a temporary move.
6. As defined in Ontario Regulation 26/05, a financial statement does NOT need to include
- a statement of sales in Ontario made during a specific period
 - a balance sheet or income statement
 - the individual invoices sent to customers during a specific period
 - a reconciliation of the trust account with customer deposits
7. A trust account may NOT be used to
- borrow funds to keep the travel agency profitable if a customer is late in paying for a package tour
 - pay a wholesaler for the package tour for which the travel agency has received the money
 - issue refunds to customers
 - transfer a registrant's commission to the general account after the travel wholesaler has been paid
8. The amount of working capital required by a travel agency is based on which of the following?
- The length of time the agency has been in business
 - the number of employees the agency has
 - the agency's sales in Ontario during the previous fiscal year
 - the number of bookings the agency made during the previous fiscal year
9. All agencies are required to maintain business records. Which of the following does NOT fall under the category of business records?
- accounting and banking files
 - brochures that identify destinations and accommodations
 - payment records
 - files containing client options regarding refund or alternative travel services

10. ABC Travel Agency has been in business for two years. The owner informs TICO that he plans to stop maintaining a trust account. Under Ontario Regulation 26/05, can he do this?
- no, he must operate a trust account
 - yes, as long as the general account contains the equivalent of sales from the past 12 months he can close the business's trust account
 - no, he must be in business for three fiscal years before he can choose not to operate a trust account
 - Yes, if he provides security in lieu of trust accounting.
11. When a consumer makes a complaint about a registrant to TICO, what will the Registrar do?
- attempt to mediate or resolve the complaint
 - call the police to investigate
 - close the agency until the matter is resolved
 - seize the registrant's documents and records
12. The manager of ABC Travel is on holiday. At 10:00 a.m., a TICO inspector arrives to inspect the financial records. While the agency's staff know where the records are kept, they refuse to open the files, telling the inspector that the manager will be back in two weeks and the inspector will have to wait. According to Ontario Regulation 26/05, this is
- a reasonable request and the inspector will have to return in two weeks
 - an unreasonable request because the staff are required to assist the inspector
 - a reasonable request because the inspector is supposed to provide 30 days' notice of his intent to inspect the agency records
 - an unreasonable request because an inspector can only enter the agency between 11:00 a.m. and 3:00 p.m.
13. A TICO investigator arrives at ABC Travel Agency and sees someone inside taking files from the cabinets and burning them in a pail. The investigator enters the agency and searches the premises, without a search warrant. Is the investigator allowed to do this?
- yes, as long as it is within the hours of 6:00 am and 9:00 pm
 - no, the investigator cannot enter the premises without the warrant
 - yes, exigent circumstances allow for the investigator to enter and search the premises
 - no, the investigator can enter only if accompanied by the police
14. If a person has defaulted on paying a fine for an offence, TICO can do which of the following?
- impose an additional fine of \$25,000 and a sentence of up to two years in jail
 - place a lien on real estate or personal property of the person in default
 - borrow the money from the Travel Industry Compensation Fund until the person pays
 - ban the person from ever working in a travel agency again.