U NITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended September 30, 2013.

OR

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to .

Commission file number 001-36101

RE/MAX Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**80-0937145**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*
5075 South Syracuse Street Denver, Colorado	**80237**
(Address of principal executive offices)	*(Zip Code)*

(303) 770-5531
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and " smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

The number of outstanding shares of the registrant's Class A common stock, par value $0.0001 per share, and Class B common stock, par value $0.0001, as of November 13, 2013 was 11,607,971 and 1, respectively.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

RE/MAX HOLDINGS, INC.

Condensed Balance Sheet
(Unaudited)

	September 30, 2013
Assets	
Cash	$ 1
Total assets	$ 1
Commitments and contingencies	
Stockholder's equity	
Common stock, $0.01 par value, 100 shares authorized, 1 share issued and outstanding as of September 30, 2013	$ —
Additional paid-in capital	1
Total stockholder's equity	$ 1

See notes to unaudited condensed financial statements

RE/MAX HOLDINGS, INC.

Condensed Statement of Income (Loss)
(Unaudited)

	For the period from July 8, 2013 to September 30, 2013
Total revenue	$ —
Total operating expenses	—
Operating income	—
Total other expenses, net	—
Income before provision for income taxes	—
Provision for income taxes	—
Net income	$ —
Less: Net income attributable to non-controlling interest	—
Net income attributable to RE/MAX Holdings, Inc.	$ —
Net income attributable to RE/MAX Holdings, Inc. per Class A common share	
Basic	$ —
Diluted	$ —
Weighted average shares of Class A common stock outstanding	
Basic	—
Diluted	—

See notes to unaudited condensed financial statements

RE/MAX HOLDINGS, INC.

Condensed Statement of Cash Flows
(Unaudited)

	For the period from July 8, 2013 to September 30, 2013
Cash flows provided by (used in) operating activities:	$ —
Cash flows provided by (used in) investing activities:	—
Cash flows from financing activities:	
Proceeds from issuance of common stock	1
Net cash provided by financing activities	1
Effect of exchange rate changes on cash	—
Net increase in cash and cash equivalents	1
Cash and cash equivalents, beginning of period	—
Cash and cash equivalents, end of period	$ 1

See notes to unaudited condensed financial statements

1. Organization

RE/MAX Holdings, Inc. (the "Corporation") was formed as a Delaware corporation on June 25, 2013 and was capitalized on July 8, 2013. On October 7, 2013, the Corporation completed an initial public offering (the "IPO") of 11,500,000 shares of Class A common stock at a public offering price of $22.00 per share ("IPO"). A portion of the proceeds received by the Corporation during the IPO was used to acquire the business assets of HBN, Inc. ("HBN") and Tails, Inc. ("Tails") and the remaining proceeds were used to purchase common membership interests in RMCO, LLC ("RMCO") following the reorganization transactions described in Note 5, *Subsequent Events* . After the completion of the IPO, the Corporation's sole asset is now 39.56% of the common membership units in RMCO. The Corporation's only business is to act as the sole manager of RMCO and, in that capacity, the Corporation operates and controls all of the business and affairs of RMCO. As a result, on October 8, 2013, the Corporation began to consolidate the financial results of RMCO and its subsidiaries. The Corporation's only source of cash flow from operations will be distributions from RMCO and management fees pursuant to a management services agreement between the Corporation and RMCO. As of September 30, 2013, the Corporation had not engaged in any business or other activities except in connection with its formation and the negotiation of the acquisition of the business assets of HBN and Tails.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated balance sheet, statement of income (loss) and statement of cash flows have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, these financial statements do not include all of the information required by GAAP or Securities and Exchange Commission rules and regulations for complete financial statements. In the opinion of management these financial statements reflect all adjustments necessary for a fair presentation of the balance sheet and results of operations for the interim period presented.

3. Stockholder's Equity

As of September 30, 2013, the Corporation was authorized to issue 100 shares of common stock, par value $0.01 per share ("Common Stock"). Under the Corporation's certificate of incorporation as in effect as of June 25, 2013, all shares of Common Stock were identical. On July 8, 2013, the Corporation issued one share of Common Stock in exchange for $1.00.

In connection with the IPO, the Corporation amended its charter to authorize capital stock consisting of 180,000,000 shares of Class A common stock, par value $0.0001 per share ("Class A common stock"), 1,000 shares of Class B common stock, par value $0.0001 per share ("Class B common stock"), and 10,000,000 shares of preferred stock, par value $0.0001 per share. Each share of Class A common stock entitles its holder to one vote on all matters to be voted on by stockholders. The shares of Class B common stock have no economic rights but entitle the holder, without regard to the number of shares of Class B common stock held, to a number of votes on matters presented to stockholders of the Corporation that is equal to two times the aggregate number of common units of RMCO held by such holder.

The voting rights of the Class B common stock will be reduced to one times the aggregate number of RMCO common units held by a holder from and after any of the following events: (i) the fifth anniversary of this initial public offering; (ii) the death of our Chairman and Founder David L. Liniger; or (iii) at such time as RIHI, Inc.'s ("RIHI") ownership of RMCO common units is below 30% of the number of RMCO common units held by RIHI immediately after this offering. Additionally, in the event that any common units of RMCO are validly transferred in accordance with the terms of the Fourth Amended and Restated RMCO, LLC agreement, the voting rights of the corresponding shares of Class B common stock to be transferred will be reduced to one times the aggregate number of RMCO common units held by such transferee, unless the transferee is David Liniger.

Immediately following the IPO, there were 11,500,000 shares of the Corporation's Class A common stock issued and outstanding and one share of the Corporation's Class B common stock issued and outstanding. Additionally, on October 1, 2013, the Corporation granted 107,971 restricted stock units to certain employees that vested upon grant but for which the underlying shares will not be issued until May 20, 2014. See Note 5, *Subsequent Events* .

4. Net Income per Share

The Corporation's net income and weighted average shares outstanding for the period from July 8, 2013 to September 30, 2013 consists of the following:

	For the period from July 8, 2013 to September 30, 2013
Net income attributable to RE/MAX Holdings, Inc.	$ —
Weighted-average shares outstanding:	
Basic	—
Diluted	—

The Corporation did not have any income attributable to the holders of Class A common stock from its inception through September 30, 2013.

5. Subsequent Events

On October 7, 2013, the Corporation completed the IPO of 11,500,000 shares of Class A common stock at a public offering price of $22.00 per share. Certain agreements and transactions associated with the IPO are set forth below:

Reorganization Transactions

In connection with the completion of the IPO, RMCO's Third Amended and Restated Limited Liability Company Agreement, dated as of February 1, 2013 was amended and restated to, among other things, modify its capital structure as follows (collectively referred to as, the "Reorganization Transactions"):

- RMCO 's existing Class A preferred membership interest was converted into (i) a new preferred membership interest that reflected RMCO's preferred equity holder's liquidation preference of $49,850,000 and (ii) a common interest that reflected RMCO's preferred equity holders pro-rata share of the residual equity value of RMCO;
- RMCO effectuated a 25 for 1 split of the then existing number of outstanding common units so that one common unit of RMCO could be acquired with the net proceeds received in the Corporation's IPO from the sale of one share of the Corporation's Class A common stock, after the deduction of underwriting discounts and commissions;
- The Corporation became a member and the sole manager of RMCO following the purchase of common units of RMCO, as described below;
- Previously outstanding and unexercised options to acquire common units of RMCO were split 25 for 1 and then substituted for 787,500 options to acquire shares of the Corporation's Class A common stock; and
- Unit holders of RMCO (other than the Corporation) were granted the right to redeem each of their common units of RMCO for, at the Corporation's option, newly issued shares of Class A common stock of the Corporation on a one-for-one basis or for a cash payment equal to the market price of one share of the Corporation's Class A common stock.

Initial Public Offering

The IPO closed on October 7, 2013, and the Corporation raised a total of $253,000,000 in gross proceeds from the sale of 11,500,000 shares of Class A common stock at $22.00 per share, or $224,922,500 in net proceeds after deducting $17,077,500 of underwriting discounts and commissions and $11,000,000 of estimated offering expenses, which were incurred by RMCO in connection with the IPO.

The Corporation used $27,305,000 of the proceeds from the IPO to reacquire regional RE/MAX franchise rights in the Southwest and Central Atlantic regions of the U.S. through the acquisitions of the business assets of HBN and Tails. Immediately following the acquisitions of the business assets of HBN and Tails, the Corporation contributed such assets to RMCO in exchange for 1,330,977 common units of RMCO, reflecting the $22.00 per share IPO price net of underwriters' commissions. The Corporation then used the remaining $208,617,500 of the net proceeds received from the IPO to purchase 10,169,023 common units in RMCO. See Note 12, *Subsequent Events* of RMCO's unaudited condensed consolidated financial statements for more information regarding RMCO's use of proceeds.

Prior to the IPO, the Corporation did not engage in any business or activities except in connection with its formation and the negotiation of the acquisition of the business assets of HBN and Tails. The Corporation's financial position, results of operations and cash flows included in the unaudited condensed financial statements do not reflect the transactions associated with the Corporation's IPO. Subsequent to the IPO and related Reorganization Transactions, the Corporation will consolidate the financial results of RMCO and its subsidiaries, and the ownership interest of the other members of RMCO will be reflected as a non-controlling interest in the Corporation's consolidated financial statements beginning October 8, 2013.

Tax Receivable Agreements

The Corporation entered into separate tax receivable agreements with the historical RMCO's owners, Weston Presidio V, L.P. ("Weston Presidio" and, together with RIHI, the "Historical Owners") and RIHI that will provide for the payment by the Corporation to the Historical Owners of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that the Corporation actually realizes, or in some circumstances is deemed to realize, as a result of an expected increase in its share of tax basis in RMCO's tangible and intangible assets, including increases attributable to payments made under the tax receivable agreements, and deductions attributable to imputed and actual interest that accrues in respect of such payments. These tax benefit payments are not necessarily conditioned upon one or more of the Historical Owners maintaining a continued ownership interest in either RMCO or the Corporation. The Corporation expects to benefit from the remaining 15% of cash savings, if any, that it may actually realize. The substantive provisions of the separate tax receivable agreements that the Corporation entered into with each of its Historical Owners were substantially identical.

Management Services Agreement

In connection with the completion of the IPO, the Corporation entered into a management services agreement with RMCO pursuant to which the Corporation agreed to provide certain specific management services to RMCO. In exchange for the services provided, RMCO will reimburse the Corporation for compensation and other expenses of the Corporation's officers and employees and for certain out-of-pocket costs. RMCO will also provide administrative and support services to the Corporation, such as office facilities, equipment, supplies, payroll and accounting and financial reporting. The management services agreement also provides that employees of the Corporation may participate in RMCO's benefit plans, and that RMCO employees may participate in the Corporation's equity incentive plan. RMCO will indemnify the Corporation for any losses arising from the Corporation's performance under the management services agreement, except that the Corporation will indemnify RMCO for any losses caused by willful misconduct or gross negligence.

Equity-Based Awards

On October 1, 2013 the Corporation granted 107,971 restricted stock units at a value of $22.00 per unit to certain employees in connection with the Corporation's IPO that vested upon grant, but for which the underlying shares will not be issued until May 20, 2014. Non-cash compensation expense of approximately $2,051,000 associated with these restricted stock units will be recognized during the fourth quarter of 2013, which reflects a discount for the lack of marketability of the restricted stock units.

In addition, on October 1, 2013, the Corporation granted 115,699 restricted stock units at a value of $22.00 per unit to its officers and employees, which will vest over a three year period and 18,184 restricted stock units at a value of $22.00 per unit to its directors, which will vest over a one year period. As a result of the vesting requirements associated with these restricted stock units, non-cash compensation expense of approximately $264,000 is expected to be recognized in the fourth quarter of 2013 and approximately $1,029,000, $754,000 and $691,000 of non-cash compensation expense is expected to be recognized during 2014, 2015, and 2016, respectively.

RMCO, LLC
AND SUBSIDIARIES
Condensed Conso lidated Balance Sheets
(Unaudited)
(Amounts in thousands, except units)

	September 30, 2013	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 73,482	$ 68,501
Escrow cash—restricted	912	780
Accounts and notes receivable, current portion, less allowances of $4,219 and $3,913, respectively	16,385	15,034
Accounts receivable from affiliates	116	55
Other current assets	2,733	2,707
Total current assets	93,628	87,077
Property and equipment, net of accumulated depreciation of $20,996 and $20,426, respectively	2,528	3,332
Franchise agreements, net of accumulated amortization of $72,395 and $61,489, respectively	69,439	78,338
Other intangible assets, net of accumulated amortization of $7,586 and $7,053, respectively	2,511	2,821
Goodwill	70,902	71,039
Investments in equity method investees	3,710	3,900
Debt issuance costs, net	2,424	2,930
Other assets	6,820	2,075
Total assets	$ 251,962	$ 251,512
Liabilities, Redeemable Preferred Units and Members' Deficit		
Current liabilities:		
Accounts payable	$ 840	$ 530
Accounts payable to affiliates	2,397	2,385
Escrow liabilities	912	780
Accrued liabilities	10,188	9,397
Income taxes and tax distribution payables	7,266	400
Deferred revenue and deposits	15,524	15,996
Current portion of debt	17,300	10,600
Other current liabilities	116	234
Total current liabilities	54,543	40,322
Debt, net of current portion	211,657	221,726
Deferred revenue, net of current portion	292	514
Other liabilities, net of current portion	8,004	7,319
Total liabilities	274,496	269,881
Commitments and contingencies		
Redeemable preferred units:		
Class A Preferred Units, at estimated redemption value (no par value, 150,000 units authorized, issued and outstanding as of September 30, 2013 and December 31, 2012; liquidation preference of $49,850 and $49,500 as of September 30, 2013 and December 31, 2012, respectively)	132,350	78,400
Members' deficit:		
Class B Common Units (no par value, 900,000 units authorized, 847,500 units issued and outstanding as of September 30, 2013 and December 31, 2012)	(156,447)	(98,516)
Accumulated other comprehensive income	1,563	1,747
Total members' deficit	(154,884)	(96,769)
Total liabilities, redeemable preferred units and members' deficit	$ 251,962	$ 251,512

See notes to unaudited condensed consolidated financial statements

RMCO, LLC
AND SUBSIDIARIES
Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Unaudited)
(Amounts in thousands)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenue:				
Continuing franchise fees	$ 16,093	$ 14,418	$ 47,037	$ 42,293
Annual dues	7,455	7,208	22,052	21,376
Broker fees	7,204	5,685	18,704	14,801
Franchise sales and other franchise revenue	5,076	6,806	17,823	17,806
Brokerage revenue	4,484	4,312	13,012	12,321
Total revenue	40,312	38,429	118,628	108,597
Operating expenses:				
Selling, operating and administrative expenses	22,105	20,614	70,088	63,828
Depreciation and amortization	3,656	2,788	11,088	9,231
(Gain) loss on sale of assets	(3)	(2)	41	(20)
Total operating expenses	25,758	23,400	81,217	73,039
Operating income	14,554	15,029	37,411	35,558
Other expenses, net:				
Interest expense	(5,128)	(2,913)	(12,053)	(8,774)
Interest income	82	78	224	207
Foreign currency transaction gains (losses), net	281	394	(135)	358
Loss on early extinguishment of debt	(1,664)	—	(1,798)	(136)
Equity in earnings of investees	274	398	736	712
Total other expenses, net	(6,155)	(2,043)	(13,026)	(7,633)
Income before provision for income taxes	8,399	12,986	24,385	27,925
Provision for income taxes	(702)	(636)	(1,733)	(1,740)
Net income	7,697	12,350	22,652	26,185
Accretion of Class A Preferred Units to estimated redemption amounts	(12,050)	5,734	67,622	12,565
Net income (loss) related to RMCO, LLC Class B Common Unitholders	$ 19,747	$ 6,616	$ (44,970)	$ 13,620
Other comprehensive income (loss):				
Change in cumulative translation adjustment	$ 114	$ 15	$ (184)	$ 98
Other comprehensive income (loss)	114	15	(184)	98
Total comprehensive income (loss) related to RMCO, LLC Class B Common Unitholders	$ 19,861	$ 6,631	$ (45,154)	$ 13,718

See notes to unaudited condensed consolidated financial statements

RMCO, LLC AND SUBSIDIARIES
Condensed Consolidated Statement of Redeemable Preferred Units and Members' Deficit
(Unaudited)
(Amounts in thousands, except units)

	Redeemable Class A Preferred Units		Class B Common Units		Accumulated other comprehensive income (loss)	Total members' deficit
	Units	Amount	Units	Amount		
Balances, January 1, 2013	150,000	$ 78,400	847,500	$ (98,516)	$ 1,747	$ (96,769)
Member distributions paid and payable	—	(13,672)	—	(13,662)	—	(13,662)
Equity-based compensation awards issued	—	—	—	701	—	701
Accretion of Class A Preferred Units to estimated redemption amounts	—	67,622	—	—	—	—
Net income (loss) related to RMCO, LLC Class B Common Unitholders	—	—	—	(44,970)	—	(44,970)
Change in accumulated other comprehensive income (loss)	—	—	—	—	(184)	(184)
Balances, September 30, 2013	150,000	$ 132,350	847,500	$ (156,447)	$ 1,563	$ (154,884)

See notes to unaudited condensed consolidated financial statements

RMCO, LLC
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(Amounts in thousands)

	Nine Months ended September 30,	
	2013	**2012**
Cash flows from operating activities:		
Net income	$ 22,652	$ 26,185
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,088	9,231
Bad debt expense	289	479
Loss on early extinguishment of debt	1,798	136
Equity-based compensation	701	—
Non-cash interest expense	723	700
Other	232	(267)
Changes in operating assets and liabilities:		
Accounts and notes receivable	(1,678)	(737)
Advances to affiliates	(126)	(86)
Other current and noncurrent assets	(30)	(458)
Current and noncurrent liabilities	1,927	1,819
Deferred revenue	(686)	61
Net cash provided by operating activities	36,890	37,063
Cash flows from investing activities:		
Purchases of property, equipment and software	(676)	(1,453)
Proceeds from sale of property and equipment	8	32
Capitalization of trademark costs	(174)	(166)
Net cash used in investing activities	(842)	(1,587)
Cash flows from financing activities:		
Proceeds from issuance of debt	230,000	—
Payments on debt	(234,083)	(7,736)
Debt issuance costs	(1,301)	—
Member distributions	(20,684)	(9,530)
Deferred offering costs	(4,816)	—
Payments on capital lease obligations	(211)	(243)
Net cash used in financing activities	(31,095)	(17,509)
Effect of exchange rate changes on cash	28	85
Net increase in cash and cash equivalents	4,981	18,052
Cash and cash equivalents, beginning of year	68,501	38,611
Cash and cash equivalents, end of year	$ 73,482	$ 56,663
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 11,443	$ 8,049
Cash paid for income taxes	1,632	1,579
Schedule of noncash investing and financing activities:		
Capital leases for property and equipment	$ 236	$ 16
Member distributions payable	6,650	—

See notes to unaudited condensed consolidated financial statements

(1) Business and Basis of Presentation

Business

RMCO, LLC (a Delaware limited liability company) and subsidiaries (collectively, the "Company" or "RMCO") are one of the world's leading franchisors of residential and commercial real estate brokerage services throughout the United States ("U.S.") and globally. The Company also operates real estate brokerage services businesses in the U.S. The Company's revenue is derived from continuing franchise fees, annual dues from agents, broker fees, franchise sales and other franchise revenue (which consist of fees from initial sales of and renewals of franchises, regional franchise fees, preferred marketing arrangements, approved supplier programs and event-based revenue from training and other programs) and brokerage revenue (which consists of fees assessed to the Company's owned brokerages for services provided to their affiliated real estate agents). A franchise grants the broker-owner a license to use the RE/MAX brand, trademark, promotional and operating materials and concepts.

The Company reports its operations in two reportable segments: (1) Real Estate Franchise Services and (2) Brokerage and Other. The Company's Real Estate Franchise Services reportable segment comprises the operations of the Company's owned and independent global franchising operations under the RE/MAX brand name. The Company's Brokerage and Other reportable segment includes the Company's brokerage services business, and reflects the elimination of intersegment revenue and other consolidation entries as well as corporate-wide professional services expenses.

RE/MAX Holdings, Inc. was formed as a Delaware corporation on June 25, 2013 and was capitalized on July 8, 2013. As of September 30, 2013, RE/MAX Holdings, Inc. had not engaged in any business or activities except in connection with its formation and the negotiation of the acquisition of the business assets of HBN, Inc. ("HBN") and Tails, Inc. ("Tails"). On October 1, 2013, the U.S. Securities and Exchange Commission declared effective a registration statement relating to shares of Class A common stock of RE/MAX Holdings, Inc. to be offered and sold in an initial public offering (the "IPO"). On October 7, 2013, RE/MAX Holdings, Inc. completed the IPO of 11,500,000 shares of Class A common stock at a public offering price of at a price of $22.00 per share. RE/MAX Holdings, Inc. used a portion of the proceeds received from the IPO to acquire the business assets of HBN and Tails and contributed these assets to RMCO in exchange for common units in RMCO. The remaining proceeds received by RE/MAX Holdings, Inc. were used to purchase common membership interests in RMCO following the RMCO reorganization transactions as described in Note 12, *Subsequent Events* . As a result, RE/MAX Holdings, Inc. became a member and sole manager of the Company and, in that capacity, operates and controls all of the business and affairs of the Company. Subsequent to the closing of the IPO, the results of the Company will be included in the consolidated financial statements of RE/MAX Holdings, Inc.

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited and comprise the condensed consolidated financial statements of the Company and have been prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") and with Article 10 of Regulation S-X. In compliance with those instructions, certain information and footnote disclosures normally included in annual consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted.

The accompanying condensed consolidated financial statements are presented on a consolidated basis and include the accounts of the Company and its majority-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

In the opinion of management, the accompanying condensed consolidated financial statements reflect all normal and recurring adjustments necessary to present fairly the Company's financial position as of September 30, 2013, the results of its operations for the three and nine months ended September 30, 2013 and 2012, cash flows for the nine months ended September 30, 2013 and 2012 and changes in redeemable preferred units and members' deficit for the nine months ended September 30, 2013. Interim results may not be indicative of full year performance.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas in which management uses assumptions include, among other things, the establishment of the allowances for doubtful trade accounts and notes receivable, the determination of the estimated lives of intangible assets, estimates used to calculate unit-based compensation expense, the estimates of the fair value of reporting units used in the annual assessment of goodwill and the fair value of assets acquired. Actual results could differ from these estimates.

Deferred offering costs

Through September 30, 2013, the Company incurred approximately $4,816,000 in costs related to the IPO. These costs have been deferred and were recorded as a reduction to the proceeds received from the IPO at the time of closing, which occurred on October 7, 2013. Deferred offering costs are included in "Other assets" in the accompanying Condensed Consolidated Balance Sheets. No costs were deferred as of December 31, 2012.

Recent Accounting Pronouncements

Under the Jumpstart Our Business Startups Act ("JOBS Act"), RE/MAX Holdings, Inc., including its subsidiaries, meets the definition of an emerging growth company. RE/MAX Holdings, Inc. and the Company have irrevocably elected to opt out of the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act.

In March 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) No. 2013-05, *Foreign Currency Matters (Topic 830): Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity* (ASU 2013-05). This amendment clarifies the applicable guidance for the release of cumulative translation adjustment into net earnings. When an entity ceases to have a controlling financial interest in a subsidiary or group of assets within a foreign entity, the entity is required to apply the guidance in FASB Accounting Standards Codification ("ASC") Topic 830-30, *Translation of Financial Statements* , to release any related cumulative translation adjustment into net earnings. ASU 2013-05 is effective prospectively for fiscal years, and interim reporting periods within those years, beginning after December 15, 2013. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

Effective January 1, 2013, the Company adopted ASU No. 2013-02, *Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income* (ASU 2013-02). The adoption of ASU 2013-02 concerns only presentation and disclosure and did not have an impact on the Company's consolidated financial position or results of operations.

(2) Acquisition s

Acquisition of RE/MAX of Texas

Effective December 31, 2012, the Company acquired certain assets of RE/MAX/KEMCO Partnership L.P. d/b/a RE/MAX of Texas ("RE/MAX of Texas"), including the regional franchise agreements issued by the Company permitting the sale of RE/MAX franchises in the state of Texas. The Company acquired these assets in order to expand its owned and operated regional franchising operations. The purchase price was $45,500,000 and was paid in cash using proceeds from borrowings. The assets acquired constitute a business that was accounted for using the fair value acquisition method. The total purchase price was allocated to the assets acquired based on their estimated fair values. The excess of the total purchase price over the fair value of the identifiable assets acquired was recorded as goodwill. The goodwill recognized for RE/MAX of Texas is attributable to expected synergies and projected long-term revenue growth and relates entirely to the Real Estate Franchise Services segment.

Purchase Price Allocation

The following table summarizes the estimated fair value of the assets acquired at the acquisition date (in thousands):

Accounts and notes receivable, net	$ 122
Franchise agreements	15,200
Goodwill	30,178
Total purchase price	$ 45,500

The valuation of acquired regional franchise agreements was derived using primarily unobservable Level 3 inputs, which require significant management judgment and estimation. The regional franchise agreements acquired were valued using an income approach and are being amortized over the remaining contractual term of approximately four years using the straight-line method. For the remaining assets acquired, fair value approximated carrying value.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information reflects the consolidated results of operations of the Company as if the acquisition of RE/MAX of Texas had occurred on January 1, 2012. The historical financial information has been adjusted to give effect to events that are (1) directly attributed to the acquisition, (2) factually supportable and (3) expected to have a continuing impact on the combined results. Such items include interest expense related to debt issued to fund the acquisition as well as additional amortization expense associated with the valuation of the acquired franchise agreement. This unaudited pro forma information should not be relied upon as necessarily being indicative of the historical results that would have been obtained if the acquisition had actually occurred on that date, nor of the results that may be obtained in the future.

	Unaudited **Nine month period ended September 30, 2012**
	(in thousands)
Total revenue	$ 115,261
Net income	30,017

As described in Note 12, *Subsequent Events* , in connection with the IPO, on October 7, 2013, RE/MAX Holdings, Inc. acquired the business assets of HBN and Tails for $27,305,000 and contributed these assets to RMCO in exchange for 1,330,977 common units of RMCO valued at $27,305,000.

(3) Intangible Assets and Goodwill

The following table provides the components of the Company's intangible assets (in thousands):

	September 30, 2013			**December 31, 2012**		
	Initial Cost	**Accumulated Amortization**	**Net Balance**	**Initial Cost**	**Accumulated Amortization**	**Net Balance**
Franchise agreements	$ 141,834	$ (72,395)	$ 69,439	$ 139,827	$ (61,489)	$ 78,338
Other intangibles:						
Software	$ 7,222	$ (6,350)	$ 872	$ 7,158	$ (5,942)	$ 1,216
Trademarks	2,875	(1,236)	1,639	2,716	(1,111)	1,605
Total other intangible assets	$ 10,097	$ (7,586)	$ 2,511	$ 9,874	$ (7,053)	$ 2,821

Amortization expense for the three month periods ended September 30, 2013 and 2012 was $3,141,000 and $2,192,000, respectively. Amortization expense for the nine month periods ended September 30, 2013 and 2012 was $9,431,000 and $7,369,000, respectively.

Based on the Company's amortizable intangible assets as of September 30, 2013, the Company expects related amortization expense for the remainder of 2013, the four succeeding years and thereafter to approximate $3,142,000, $12,473,000, $12,262,000, $12,024,000, $8,162,000 and $23,823,000, respectively.

The Company performs its annual impairment analysis of goodwill as of August 31 each year or more often if there are indicators of impairment present. The Company tests each reporting unit for goodwill impairment. Reporting units are driven by the level at which management reviews operating results and are one level below the operating segment. The Company's impairment assessment begins with a qualitative assessment to determine if it is more likely than not that a reporting unit's fair value is less than the carrying amount. The initial qualitative assessment includes comparing the overall financial performance of the reporting units against the planned results as well as other factors which might indicate that the reporting unit's value has declined since the last assessment date. If it is determined in the qualitative assessment that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then the standard two-step quantitative impairment test is performed. The first step of the quantitative impairment test consists of comparing the estimated fair value of each reporting unit with its carrying amount, including goodwill. If the estimated fair value of a reporting unit exceeds its carrying value, then it is not considered impaired and no further analysis is required. If step one indicates that the estimated fair value of a reporting unit is less than its carrying value, then impairment potentially exists and the second step is performed to measure the amount of goodwill impairment. Goodwill impairment exists when the estimated implied fair value of a reporting unit's goodwill is less than its carrying value.

The Company determined the fair value of its reporting units utilizing the Company's best estimate of future revenue, operating expenses, cash flows, market and general economic conditions as well as assumptions that it believes marketplace participants would utilize, including discount rates, cost of capital, and long term growth rates as we all other factors in its analyses. As a result of the first step of the Company's goodwill impairment test as of August 31, 2013, the fair value of the Company's reporting units significantly exceeded their carrying value. Thus, no indicators of impairment existed.

Amounts recorded as goodwill in the Company's accompanying Condensed Consolidated Balance Sheets are attributable to the Real Estate Franchise Services reportable segment. The following table presents changes to goodwill for the nine months ended September 30, 2013 (in thousands):

	Real Estate Franchise Services
Balance, January 1, 2013	$ 71,039
Effect of changes in foreign currency exchange rates	(137)
Balance, September 30, 2013	$ 70,902

(4) Accrued Liabilities

Accrued liabilities consist of the following (in thousands):

	September 30, 2013	December 31, 2012
Accrued payroll and related employee costs	$ 5,098	$ 4,542
Accrued taxes	1,197	1,609
Accrued professional fees	1,948	776
Lease-related accruals	750	693
Other	1,195	1,777
	$ 10,188	$ 9,397

(5) Debt

Debt consists of the following (in thousands):

	September 30, 2013	December 31, 2012
2013 Senior Secured Credit Facility, principal of $575 payable quarterly, matures in July 2020, net of unamortized discount of $468 as of September 30, 2013	$ 228,957	$ —
2010 Senior Secured Credit Facility, principal of $650 payable quarterly, matures in April 2016, net of unamortized discount of $1,192 as of December 31, 2012	—	232,326
Less current portion	(17,300)	(10,600)
	$ 211,657	$ 221,726

Maturities of debt are as follows (in thousands):

As of September 30, 2013:	
Remainder of 2013	$ 575
2014	17,300
2015	2,300
2016	2,300
2017	2,300
Thereafter	204,650
	$ 229,425

On April 16, 2010, the Company entered into a credit agreement with several lenders and administered by a bank, collectively referred to herein as “The 2010 Senior Secured Credit Facility.” The 2010 Senior Secured Credit Facility consisted of a $215,000,000 term loan facility and a $10,000,000 revolving loan facility.

On December 31, 2012, the 2010 Senior Secured Credit Facility was amended providing for an additional term loan in an aggregate principal amount equal to $45,000,000. The proceeds were used to fund the acquisition of certain assets of RE/MAX of Texas. See Note 2, *Acquisition* , for additional disclosures regarding this acquisition.

On July 31, 2013, the Company entered into a new credit agreement with several lenders and administered by a bank, referred to herein as the “2013 Senior Secured Credit Facility.” In connection therewith, proceeds received were used to re-pay existing indebtedness pursuant to the Company’s 2010 Senior Secured Credit Facility. The 2013 Senior Secured Credit Facility consists of a $230,000,000 term loan facility and a $10,000,000 revolving loan facility. The proceeds provided by these term loans were used to refinance and repay existing indebtedness and for working capital, capital expenditures, acquisitions and general corporate purposes. Interest rates with respect to the term and revolving loans are based, at the Company’s option, on (a) adjusted LIBOR, provided that LIBOR shall be no less than 1% plus a maximum applicable margin of 3% or (b) ABR, provided that ABR shall be no less than 2%, which is equal to the greater of (1) JPMorgan Chase Bank, N.A.’s prime rate; (2) the Federal Funds Effective Rate plus 0.5% or (3) calculated Eurodollar Rate plus 1.0%, plus a maximum applicable margin of 2%. The applicable margin will be adjusted quarterly beginning in the first quarter of 2014 based on the Company’s total leverage ratio as defined in the 2013 Senior Secured Credit Facility. The 2010 Senior Secured Credit Facility was, and the 2013 Senior Secured Credit Facility is, structured as loan syndications, whereby several lenders individually loaned specific amounts to the Company and the Company is obligated to repay each individual lender. Therefore, the Company evaluated if the terms of amounts owed to each lender under the 2010 Senior Secured Credit Facility were substantially different than the amounts owed to each lender under the 2013 Senior Secured Credit Facility. For amounts owed to lenders with terms that were substantially different or for lenders that did not participate in the 2013 Senior Secured Credit Facility, the Company accounted for the contemporaneous exchange of cash as early extinguishments of debt and recorded a loss of $1,664,000 related to unamortized debt discount and issuance costs during the three and nine month periods ended September 30, 2013. For amounts owed to lenders with terms that were not substantially different, the Company accounted for the contemporaneous exchange of cash as a modification. In connection with the 2013 Senior Secured Credit Facility, the Company incurred costs of $3,219,000, of which $1,301,000 was recorded in “Debt issuance costs, net” in the accompanying Condensed Consolidated Balance Sheets and are being amortized to interest expense over the remaining term of the 2013 Senior Secured Credit Facility and the remaining $1,918,000 was expensed as incurred.

The Company is required to make principal payments out of excess cash flow, as defined in the 2013 Senior Secured Credit Facility, as well as from the proceeds of certain asset sales, proceeds from the issuance of indebtedness and from insurance recoveries. As of September 30, 2013, the Company expects it will make an excess cash flow payment of $15,000,000 in the first quarter of 2014. Mandatory principal payments of $575,000 are due quarterly until the facility matures on July 31, 2020. During the nine month periods ended September 30, 2013 and 2012, the Company made mandatory principal excess cash flow prepayments in accordance with the 2010 Senior Secured Credit Facility of $8,000,000 and $6,123,500, respectively. The Company accounted for these mandatory principal prepayments as early extinguishments of debt and recorded a loss during the nine month periods ended September 30, 2013 and 2012 of approximately $134,000 and $136,000, respectively, related to unamortized debt discount and issuance costs. The Company may make optional prepayments of the term loan at any time; however, no such optional prepayments were made during the nine month periods ended September 30, 2013 or 2012.

The estimated fair value of the Company's debt as of September 30, 2013 and December 31, 2012 represents the amount that would be paid to transfer or redeem the debt in an orderly transaction between market participants at that date and maximizes the use of observable inputs. The fair value of the Company's debt was estimated using a market approach based on the amount at the measurement date that the Company would pay to enter into the identical liability, since quoted prices for the Company's debt instruments are not available. As a result, the Company has classified the fair value of its 2013 Senior Secured Credit Facility as Level 2 of the fair value hierarchy. The carrying amounts of the Company's Senior Secured Credit Facility are included in the Condensed Consolidated Balance Sheets in "Current portion of debt" and "Debt, net of current portion." The carrying value of the Senior Secured Credit Facility was $228,957,000 and $232,326,000 as of September 30, 2013 and December 31, 2012, respectively. The fair value of the Senior Secured Credit Facility was $229,712,000 and $233,046,000 as of September 30, 2013 and December 31, 2012, respectively.

The Company had no borrowings drawn on the revolving loan facility during the nine month periods ended September 30, 2013 and 2012. The Company must pay a quarterly commitment fee equal to 0.5% on the average daily amount of the unused portion of the revolving loan facility.

(6) Redeemable Preferred Units and Members ' Deficit

Redeemable Preferred Units

At September 30, 2013, the Company had one series of redeemable preferred units outstanding ("Class A preferred units") with an initial optional redemption date of April 16, 2014. The total number of authorized Class A preferred units was 150,000 and were held by Weston Presidio. As the holder of the outstanding Class A preferred units, Weston Presidio had voting rights and was entitled to receive a cumulative preferential yield of 10% per annum. As described in Note 12, *Subsequent Events* , in connection with the IPO, the Class A preferred units were converted into (i) a new preferred membership interest that reflected Weston Presidio's liquidation preference and (ii) a common interest that reflected Weston Presidio's pro-rata share of the residual equity value of RMCO. On October 7, 2013, the Company used the proceeds it received from RE/MAX Holdings, Inc. to pay Weston Presidio's $49,850,000 liquidity preference associated with its preferred membership interest and to fully redeem all of its outstanding common membership interests at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts, totaling $76,931,250.

Common Units

As of September 30, 2013, the total number of authorized Class B common units was 900,000 of which 52,500 were reserved for issuance under a unit option plan. As of September 30, 2013, the Company had granted options for 31,500 Class B common units under its 2011 Unit Option Plan to certain employees of one of its wholly owned subsidiaries. See Note 7, *Equity-Based Compensation Plan,* for further disclosure regarding the unit options granted by the Company during 2012. The remaining 847,500 authorized Class B common units were issued and outstanding with no par value and were held by RIHI. RIHI, in its capacity as a holder of Class B common units, had voting rights, was entitled to receive distributions subject to certain limitations as defined by RMCO's Third Amended and Restated Limited Liability Company Agreement, and, upon liquidation or dissolution, was entitled to receive assets available for distribution. There were no mandatory redemption or sinking fund provisions with respect to such Class B common units. The Class B common units were subordinate to the Class A preferred units, to the extent of the preference associated with such Class A units, with respect to distributions and rights upon liquidation, winding up, and dissolution of the Company.

As described in Note 12, *Subsequent Events* , and the Reorganization Transactions which occurred in connection with the IPO, all outstanding RMCO Class B common units were exchanged for newly issued common units of RMCO. Additionally, RMCO effectuated a 25 for 1 split of the then existing number of outstanding newly issued common units of RMCO so that one common unit could be acquired with the net proceeds received in the IPO from the sale of one share of RE/MAX Holdings, Inc.'s Class A common stock, after the deduction of underwriting discounts and commissions.

Accumulated Other Comprehensive Income

As of September 30, 2013 and December 31, 2012, the ending balance in "Accumulated other comprehensive income" in the accompanying Condensed Consolidated Balance Sheets of $1,563,000 and $1,747,000, respectively, was entirely related to foreign currency translation adjustments.

(7) Equity-Based Compensation Plan

During 2012, the Company adopted an equity-based compensation plan (the "Plan") pursuant to which the Company's Board of Managers may grant unit options. Through September 30, 2013, the Company had only granted options settleable in units. The Plan authorizes grants to purchase up to 52,500 units of authorized but unissued common units. Under the terms of the Plan, the exercise price of options granted under the Plan can be no less than the fair value of the underlying security on the date of grant. The term of the option cannot exceed 10 years, and the options will vest as specified in the option grant agreement. At September 30, 2013, there were 21,000 additional unit options available for the Company to grant under the Plan.

The grant-date fair value of each option award was estimated using the Black-Scholes-Merton option pricing model. No option awards were granted during the nine months ended September 30, 2013. The assumptions for 2012 grants are provided in the following table. On the grant date, the Company did not have sufficient historical exercise data to provide a reasonable basis upon which to estimate expected term of the option. As such, the "simplified" method as outlined in the U.S. Securities and Exchange Commission's Staff Accounting Bulletin No. 110 was used to derive the expected term. Since the Company's units were not publicly traded and its units were not traded privately, expected volatility was estimated based on the average historical volatility of similar entities with publicly traded shares. The risk-free rate for the expected term of the option was based on the U.S. Treasury yield curve at the date of grant.

	2012
Valuation assumptions:	
Expected dividend yield	— %
Expected volatility	78.0%
Expected term (years)	5.1
Risk-free interest rate	0.75%

The grant-date estimated fair value of options granted during the year ended 2012 was $56.83. A portion of the options granted in 2012 vested on the grant date, and the remaining options vested on June 15, 2013. Total compensation expense on the options granted in 2012 recognized during the nine months ended September 30, 2013 was $701,000. As the options were granted in the fourth quarter of 2012, no compensation expense was recognized during the nine months ended September 30, 2012. As of September 30, 2013, there was no unrecognized compensation cost related to unit options granted under the Plan. In October 2013 and in connection with the IPO and the Reorganization Transactions, the unit options were split 25 for 1 and then substituted for 787,500 options to acquire shares of RE/MAX Holdings, Inc.'s Class A common stock.

(8) Commitments and Contingencies

Commitments

The Company leases offices and equipment under noncancelable operating leases, subject to certain provisions for renewal options and escalation clauses.

In 2010, the Company became the primary lessee for all facilities located on its corporate headquarters property and issued subleases to two retail tenants already established on the property. The subleases range from 4,000 square feet to 10,500 square feet, have initial lease terms ranging from 5 to 10 years and renewal options ranging from two 5-year renewal options to nine 5-year renewal options. Anticipated revenue from these subleases exceeds the expected costs that will be incurred by the Company.

During March 2011, the Company entered into a sublease agreement with an unrelated third party to lease up to 20,000 square feet of the office space on its corporate headquarters property. The estimated costs the Company expected to incur related to the subleased space exceeded the anticipated revenue the Company expected to receive under the sublease agreement. As such, the Company recorded a liability with the related loss on the sublease of approximately $1,932,000. The liability was determined using a risk-free rate to discount the estimated future net cash flows, consisting of the minimum lease payments to the lessor, estimated executory costs related to the subleased space and anticipated payments the Company expected to receive under the sublease agreement. In November 2012, the sublease was terminated prior to its expiration date. As a result, the Company commenced efforts to market the office space for sublease with a new tenant. As of September 30, 2013, a sublease agreement was not executed, as such, the Company did not record an adjustment to the existing liability. As of September 30, 2013 and December 31, 2012, the short-term portion of the liability was approximately $375,000 and $351,000, respectively, and is included in “Accrued liabilities” in the accompanying Condensed Consolidated Balance Sheets. As of September 30, 2013 and December 31, 2012, the long-term portion of the liability was approximately $689,000 and $972,000, respectively, and is included in “Other liabilities” in the accompanying Condensed Consolidated Balance Sheets.

During 2008, the Company closed several real estate brokerage offices in the Pacific Northwest and Washington, DC areas of the U.S. Subsequent to 2008, the Company closed four additional real estate brokerage offices in the Pacific Northwest and Washington, DC areas. In connection with these office closures, the Company abandoned office leases with remaining lease terms of eleven months to eight years. During the nine months ended September 30, 2013, the Company abandoned an additional two leases for offices located in the Pacific Northwest with remaining lease terms of three months. The Company recorded a liability, initially measured at its estimated fair value, for costs that will continue to be incurred under these contracts for the remaining lease terms with the related charge recorded to operating expenses in the accompanying consolidated financial statements. At September 30, 2013 and December 31, 2012, total future cash payments were estimated to be $663,000 and $1,061,000, respectively. This liability will be increased by accreting charges over the terms of the leases via charges to rent expense, based on discount rates ranging from 2.75% to 18.03%, and will be reduced by the actual lease payments made. The following table presents a rollforward of the estimated fair value liability established for these costs from January 1, 2013 to September 30, 2013 (in thousands):

Accruals at January 1, 2013	$ 420
Additional abandoned leases	99
Extinguishments	—
Accretion and adjustments	180
Payments	(474)
Accruals at September 30, 2013	$ 225

Litigation

The Company is subject to litigation claims arising in the ordinary course of business. The Company believes that it has adequately accrued for legal matters as appropriate. The Company records litigation accruals for legal matters which are both probable and estimable. For legal proceedings for which there is a reasonable possibility of loss (meaning those losses for which the likelihood is more than remote but less than probable), the Company has determined that it does not have material exposure, or it is unable to develop a range of reasonably possible losses.

Other Contingencies

The Company maintains a self-insurance program for health benefits. As of September 30, 2013 and December 31, 2012, the Company recorded a liability of $278,000 and $360,000, respectively, related to this program.

Tax Matters

The Company is a "flow-through" entity for tax purposes. As such, U.S. federal and state income taxes on net domestic taxable earnings are the obligation of the Company's members. Accordingly, no provision for U.S. income taxes has been made in the accompanying condensed consolidated financial statements; however, the Company makes distributions to its members to enable them to satisfy their tax obligations. On September 30, 2013, the Company agreed to make tax distributions to Weston Presidio and RIHI of $1,000,000 and $5,650,000, respectively to satisfy each member's tax obligations for the period from January 1, 2013 through the closing date of the IPO. The liability for this tax distribution has been recorded in "Income Taxes Payable" in the accompanying Condensed Consolidated Balance Sheets.

In contrast to the Company's domestic entities, the Company's foreign entities are taxable entities. Income taxes incurred by the foreign subsidiaries are recorded in the "Provision for income taxes" in the accompanying Consolidated Statements of Income (Loss) and Comprehensive Income (Loss).

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. As of September 30, 2013, the Company does not believe it has any significant uncertain tax positions.

(9) Guarantees

In July 2012, the Company entered into a guarantee of performance by Tails d/b/a RE/MAX Central Atlantic Region, Inc. of all of the obligations under the franchise registration in the Commonwealth of Virginia, and all of the preopening obligations under the franchise agreements executed at any time from July 23, 2012 until such time that this guarantee is no longer required by the Commonwealth of Virginia. The Company did not incur any payments under this guarantee in the three and nine month periods ended September 30, 2013 or 2012, respectively and does not anticipate that it will incur any payments through the duration of the guarantee.

In May 2013, the Company entered into a guarantee of the full and prompt payment and performance when due of all obligations due to a financial institution under a commercial line-of-credit agreement and note entered into by the Company's equity-method investee, in which the Company has a 50% interest. The term of the line-of-credit agreement is twelve months and the total amount of advances requested and unpaid principal balance cannot exceed $12,500,000. The line of credit bears interest at 0.50% over the financial institution's base rate with a floor of 4.0%. The Company had entered into a similar guarantee during May 2012, which expired as of May 2013. The outstanding balance on the line of credit was approximately $3,225,000 and $9,285,000 as of September 30, 2013 and December 31, 2012, respectively. The Company did not incur any payments under this guarantee in the nine months ended September 30, 2013 and does not anticipate that it will incur any payments through the duration of the guarantee.

(10) Related-Party Transactions

The Company's real estate brokerage operations pay advertising fees to regional and international advertising funds, which promote the RE/MAX brand. These advertising funds are corporations owned by a majority stockholder of RIHI as trustee for RE/MAX agents. This stockholder does not receive any compensation from these corporations, as all funds received by the corporations are required to be spent on advertising for the respective regions. During the three months ended September 30, 2013 and 2012, the Company's real estate brokerage operations paid $286,000 and $292,000, respectively, to these advertising funds. During the nine months ended September 30, 2013 and 2012, the Company's real estate brokerage operations paid $859,000 and $865,000, respectively, to these advertising funds. These payments are included in "Selling, operating and administrative" expenses in the accompanying Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss).

The Company's real estate brokerage operations in the Washington, DC area pay regional continuing franchise fees, broker fees and franchise sales revenue, as do all other RE/MAX franchisees, to a regional franchisor, Tails. Several of the Company's officers and stockholders of RIHI were also stockholders and officers of Tails. During the three months ended September 30, 2013 and 2012, the real estate brokerage operations expensed $97,000 and $74,000, respectively, in fees to Tails. During the nine months ended September 30, 2013 and 2012, the real estate brokerage operations expensed $244,000 and $196,000, respectively,

in fees to Tails. These payments are included in "Selling, operating and administrative expenses" in the accompanying Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). In addition, the Company's owned real estate brokerage operations in the Washington DC area record a corresponding payable to Tails and its affiliated regional advertising fund. As of September 30, 2013 and December 31, 2012, the amount of the payable was $2,325,000 and $2,270,000, respectively, and is included in "Accounts payable to affiliates" in the accompanying Condensed Consolidated Balance Sheets.

The Company receives continuing franchise fees, broker fees, franchise sales and other franchise revenue from regional franchisors. Several of the Company's officers and stockholders of RIHI were also stockholders and officers of two of these regional franchisors. During the three months ended September 30, 2013 and 2012, the Company received $912,000 and $858,000, respectively, in revenue from these entities. During the nine months ended September 30, 2013 and 2012, the Company received $2,648,000 and $2,550,000, respectively, in revenue from these entities. These amounts are included in continuing franchise fees, broker fees and franchise sales revenue in the accompanying Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). As described in Note 12, *Subsequent Events* , on October 7, 2013, the business assets of these two regional franchisors were acquired by RE/MAX Holdings, Inc. and contributed to RMCO.

Prior to 2013, the Company paid an annual sponsorship fee to Sanctuary, Inc., a private golf course owned by the majority stockholders of RIHI. The Company was named as the presenting sponsor of all charity golf tournaments held at Sanctuary, Inc. Further, the majority stockholders have made and continue to make the golf course available to the Company for business purposes. During the nine months ended September 30, 2013, the majority stockholders of RIHI who own Sanctuary, Inc. allowed the Company to use the golf course for business purposes at no charge. During the three and nine months ended September 30, 2012, the Company paid $283,000 and $878,000, respectively in sponsorship fees and green fees to Sanctuary, Inc.

The Company also provides services to certain affiliated entities such as accounting, legal, marketing, technology, human resources and public relations as it allows these companies to share its leased office space. During the three months ended September 30, 2013 and 2012, the total amounts allocated for services rendered and rent for office space provided on behalf of affiliated entities were $838,000 and $828,000, respectively. During the nine months ended September 30, 2013 and 2012, the total amounts allocated for services rendered and rent for office space provided on behalf of affiliated entities were $2,459,000 and $2,515,000, respectively. In these cases, the Company bills affiliated companies for their actual or pro rata share of such expenses. Such amounts are generally paid within 30 days and no such amounts were outstanding at September 30, 2013 or December 31, 2012. In addition, affiliated regional franchisors have current outstanding continuing franchise fees, broker fees and franchise sales revenue amounts due to the Company. Such amounts are included in the "Accounts receivable from affiliates" and "Accounts payable to affiliates" in the accompanying Condensed Consolidated Balance Sheets and comprise the balances from the following entities (in thousands):

	September 30, 2013	December 31, 2012
Accounts receivable from affiliates:		
RE/MAX Southwest Region	$ —	$ 11
RE/MAX Central Atlantic Region, Inc.	5	21
RE/MAX of Texas Advertising Fund	106	—
Other	5	23
Total accounts receivable from affiliates	116	55
Accounts payable to affiliates:		
Other	(2,397)	(2,385)
Total accounts payable to affiliates	(2,397)	(2,385)
Net accounts payable to affiliates	$ (2,281)	$ (2,330)

In February 2013, the Company engaged Perella Weinberg Partners L.P. ("Perella Weinberg"), a FINRA member, to serve as its financial advisor in connection with the IPO. Two members of the Company's Board of Managers are partners at an affiliate of Perella Weinberg. The engagement of Perella Weinberg as a financial advisor was approved by the independent members of the Company's Board of Managers. For the services rendered during the three and nine months ended September 30, 2013, the Company paid or will pay Perella Weinberg $76,000 and $216,000, respectively. In addition, on October 7, 2013, the Company paid Perella Weinberg a completion fee of $632,500 when the IPO closed.

(11) Segment information

The Company has two reportable segments, (1) Real Estate Franchise Services and (2) Brokerage and Other. Management evaluates the operating results of the Company's reportable segments based upon revenue and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). The Company's presentation of Adjusted EBITDA may not be comparable to similar measures used by other companies.

Adjusted EBITDA for the reportable segments excludes depreciation, amortization, interest and taxes and is adjusted for items in a manner consistent with the calculation of the Company's compliance with debt covenants. Adjusted EBITDA for the reportable segments is also a key factor that is used by the Company's internal decision makers to (i) determine how to allocate resources to segments and (ii) evaluate the effectiveness of management for purposes of annual and other incentive compensation plans. The additional items that are adjusted to determine Adjusted EBITDA for the reportable segments include gains and losses on the sale of assets and sublease activity, gains and losses on the early extinguishment of debt, depreciation expense, interest expense, loss on the sale of assets and loss on the extinguishment of debt from non-controlling interest, stock-based compensation, non-cash deferred rent expense and acquisition transaction and reorganization costs. The Company's Real Estate Franchise Services segment comprises the operations of the Company's owned and independent global franchising operations under the RE/MAX brand name. All of the brokerage offices in the Real Estate Franchise Services segment are franchised. The Company's Brokerage and Other reportable segment includes the Company's brokerage services business, the elimination of intersegment revenue and other consolidation entries as well as corporate-wide professional services expenses.

The following tables present the results of the Company's reportable segments for the three and nine months ended September 30, 2013 and 2012, respectively (in thousands):

	Revenue (a)			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Real Estate Franchise Services	$ 36,211	$ 34,490	$ 106,746	$ 97,382
Brokerage and Other (b)	4,101	3,939	11,882	11,215
Total segment revenue	$ 40,312	$ 38,429	$ 118,628	$ 108,597

(a) Transactions between the Real Estate Franchise Services and the Brokerage and Other reportable segments are eliminated in consolidation. Revenues for the Real Estate Franchise Services segment include intercompany amounts paid from the Company's brokerage services business of $435,000 and $427,000 for the three months ended September 30, 2013 and 2012, respectively, and $1,318,000 and $1,295,000 for the nine months ended September 30, 2013 and 2012, respectively. Such amounts are eliminated through the Brokerage and Other reportable segment.

(b) Includes the elimination of transactions between the Real Estate Franchise Services and the Brokerage and Other reportable segments.

	Adjusted EBITDA			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Real Estate Franchise Services	$ 21,495	$ 18,589	$ 58,276	$ 48,713
Brokerage and Other (c)	580	896	499	177
Total segment Adjusted EBITDA	$ 22,075	$ 19,485	$ 58,775	$ 48,890

(c) Includes the elimination of transactions between the Real Estate Franchise Services and the Brokerage and Other reportable segments.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Segment Adjusted EBITDA	$ 22,075	$ 19,485	$ 58,775	$ 48,890
Less:				
Depreciation and amortization	3,656	2,788	11,088	9,231
Interest expense, net	5,046	2,835	11,829	8,567
Loss on early extinguishment of debt	1,664	—	1,798	136
Equity-based compensation	—	—	701	—
Non-cash straight-line rent expense	261	270	970	1,223
Gain on sale of assets and sublease	(164)	(144)	(411)	(442)
Chairman executive compensation	750	750	2,250	2,250
Acquisition integration costs	27	—	249	—
IPO expenses	2,436	—	5,916	—
Income before income taxes	8,399	12,986	24,385	27,925
Provision for income taxes	702	636	1,733	1,740
Net income	$ 7,697	$ 12,350	$ 22,652	$ 26,185

(12) Subsequent Events

On October 7, 2013, RE/MAX Holdings, Inc. completed the IPO of 11,500,000 shares of Class A common stock at a public offering price of $22.00 per share. Certain transactions and agreements associated with the IPO are set forth below:

Reorganization Transactions

In connection with the completion of the IPO, RMCO's Third Amended and Restated Limited Liability Company Agreement, dated as of February 1, 2013 was amended and restated to, among other things, modify its capital structure as follows (collectively referred to, the "Reorganization Transactions"):

- RMCO 's existing Class A preferred membership interest was converted into (i) a new preferred membership interest that reflected Weston Presidio's liquidation preference of approximately $49,850,000 and (ii) a common interest that reflected Weston Presidio's pro-rata share of the residual equity value of RMCO;
- RMCO effectuated a 25 for 1 split of the then existing number of outstanding common units so that one common unit of RMCO could be acquired with the net proceeds received in RE/MAX Holdings, Inc.'s IPO from the sale of one share of RE/MAX Holdings, Inc.'s Class A common stock, after the deduction of underwriting discounts and commissions;
- RE/MAX Holdings, Inc. became a member and the sole manager of RM CO following the purchase of common units of RMCO, as described below;
- Previously outstanding and unexercised options to acquire common units in RMCO were split 25 for 1 and then substituted for 787,500 options to acquire shares of RE/MAX Holdings, Inc.'s Class A common stock; and
- U nit holders of RMCO (other than RE/MAX Holdings, Inc.) were given the right to redeem each of their common units of RMCO, for, at RE/MAX Holdings, Inc.'s option, newly issued shares of Class A common stock of RE/MAX Holdings, Inc. on a one-for-one basis or for a cash payment equal to the market price of one share of RE/MAX Holdings Inc.'s Class A common stock.

Initial Public Offering

The IPO closed on October 7, 2013, and RE/MAX Holdings, Inc. raised a total of $253,000,000 in gross proceeds from the sale of 11,500,000 shares of Class A common stock at $22.00 per share, or $224,922,500 in net proceeds after deducting $17,077,500 of underwriting discounts and commissions and $11,000,000 of estimated offering expenses.

RE/MAX Holdings, Inc. used $27,305,000 of the proceeds from the IPO to reacquire regional RE/MAX franchise rights in the Southwest and Central Atlantic regions of the U.S. through the acquisitions of the business assets of HBN and Tails, which occurred on October 7, 2013. Immediately following the acquisitions of the business assets of HBN and Tails, RE/MAX Holdings, Inc. contributed such assets to RMCO in exchange for 1,330,977 common units of RMCO reflecting the $22.00 public

offering price per share of RE/MAX Holdings, Inc. Class A common stock, less underwriting discounts. RE/MAX Holdings, Inc. acquired the business assets of HBN and Tails and contributed the assets to the Company in order to expand the Company's owned and operated regional franchising operations. The assets acquired constitute a business accounted for using the fair value acquisition method. The preliminary purchase price has been allocated to the assets acquired based on a preliminary estimate of their estimated fair values and is subject to change. The excess of the total purchase price over the fair value of the identifiable assets acquired was recorded as goodwill. The goodwill recognized for the acquisitions of HBN and Tails is attributable to expected synergies and projected long-term revenue growth and relates entirely to the Real Estate Franchise Services segment.

The following table summarizes the preliminary estimated fair value of the assets acquired at the acquisition date (in thousands):

Accounts and notes receivable	$ 1,340
Other current assets	23
Franchise agreements	23,008
Goodwill	3,179
Other assets	15
Accrued liabilities	(260)
	$ 27,305

RE/MAX Holdings, Inc. then used the remaining $208,617,500 of the net proceeds received from the IPO to purchase 10,169,023 common units of RMCO. Of the $208,617,500 of proceeds received by RMCO from RE/MAX Holdings, Inc., $11,000,000 was reserved by RMCO to pay estimated offering expenses. The remaining $197,617,500 of proceeds was used as follows: (i) $49,850,000 was used to pay the liquidity preference associated with Weston Presidio's preferred membership interest in RMCO; and (ii) $147,767,500 was used to redeem common units of RMCO from Weston Presidio and RIHI at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts.

Prior to the IPO, RE/MAX Holdings, Inc. did not engage in any business or activities except in connection with its formation and the negotiation of the acquisition of the business assets of HBN and Tails. Subsequent to the IPO and related reorganization and offering transactions, RE/MAX Holdings, Inc. will consolidate the financial results of RMCO and its subsidiaries, and the ownership interest of the other members of RMCO will be reflected as a non-controlling interest in RE/MAX Holdings, Inc.'s consolidated financial statements beginning October 8, 2013.

In connection with the successful completion of the IPO, the Company paid $528,000 in cash bonuses to its employees.

Tax Receivable Agreements

RE/MAX Holdings, Inc. entered into separate tax receivable agreements with Weston Presidio and RIHI (collectively, the "Historical Owners"), that will provide for the payment by RE/MAX Holdings, Inc. to the Historical Owners of RMCO of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that RE/MAX Holdings, Inc. actually realizes, or in some circumstances is deemed to realize, as a result of an expected increase in its share of tax basis in RMCO's tangible and intangible assets, including increases attributable to payments made under the tax receivable agreements, and deductions attributable to imputed and actual interest that accrues in respect of such payments. These tax benefit payments are not necessarily conditioned upon one or more of the Historical Owners maintaining a continued ownership interest in either RMCO or RE/MAX Holdings, Inc. RE/MAX Holdings, Inc. expects to benefit from the remaining 15% of cash savings, if any, that it may actually realize. The provisions of the separate tax receivable agreements that RE/MAX Holdings, Inc. entered into with each of its Historical Owners were identical.

Management Services Agreement

In connection with the completion of the IPO, the Company entered into a management services agreement with RE/MAX Holdings, Inc. pursuant to which RE/MAX Holdings, Inc. will agree to provide certain specific management services to the Company. In exchange for the services provided, the Company will reimburse RE/MAX Holdings, Inc. for compensation and other expenses of RE/MAX Holdings, Inc.'s officers and employees and for certain out-of-pocket costs. The Company will also provide administrative and support services to RE/MAX Holdings, Inc., such as office facilities, equipment, supplies, payroll and accounting and financial reporting. The management services agreement further provides that employees of RE/MAX Holdings, Inc. may participate in the Company's benefit plans, and that the Company's employees may be entitled to compensation in the form of equity awards issued by RE/MAX Holdings, Inc. The Company will indemnify RE/MAX Holdings, Inc. for any losses arising from our performance under the management services agreement, except that RE/MAX Holdings, Inc. will indemnify the Company for any losses caused by willful misconduct or gross negligence.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

We derived the unaudited pro forma condensed consolidated financial information set forth below by the application of pro forma adjustments to unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. The unaudited pro forma condensed consolidated statement of income for the nine months ended September 30, 2013 and the unaudited pro forma condensed consolidated balance sheet as of September 30, 2013 present our consolidated results of operations and financial position to give pro forma effect to the Reorganization Transactions (as defined below), the shares of Class A common stock sold in our initial public offering (the "IPO"), and the application of the net proceeds from the IPO, including the acquisitions of the business assets of HBN, Inc. ("HBN") and Tails, Inc. ("Tails"), as if all such transactions had been completed as of January 1, 2013 with respect to the unaudited condensed consolidated pro forma statement of income and as of September 30, 2013 with respect to the unaudited pro forma condensed consolidated balance sheet. The unaudited condensed consolidated pro forma statement of income for the twelve months ended December 31, 2012 is included the prospectus dated October 1, 2013, filed with the U.S. Securities and Exchange Commission ("SEC") on October 3, 2013 pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended (the "Securities Act"). The unaudited pro forma condensed consolidated financial information reflects pro forma adjustments that are described in the accompanying notes and are based on available information and certain assumptions we believe are reasonable, but are subject to change. We have made, in our opinion, all adjustments that are necessary to present fairly the unaudited pro forma condensed consolidated financial information.

The unaudited pro forma condensed consolidated financial information should be read together with our unaudited condensed financial statements and related notes, the RMCO, LLC ("RMCO") unaudited condensed consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations," each included elsewhere in this Quarterly Report on Form 10-Q.

The unaudited pro forma condensed consolidated financial information is included for informational purposes only and does not purport to reflect our results of operations or financial position that would have occurred had we operated as a public company during the periods presented. The unaudited pro forma condensed consolidated financial information should not be relied upon as being indicative of our results of operations or financial position had the Reorganization Transactions and IPO, as well as the use of the net proceeds from the IPO, occurred on the dates assumed. Refer to Note 12 of the RMCO unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information. The unaudited pro forma condensed consolidated financial information also does not project our results of operations or financial position for any future period or date.

The pro forma adjustments principally give effect to the following items:

- the amendment and modification of RMCO's Third Amended and Restated Limited Liability Company Agreement, dated as of February 1, 2013 to, among other things, modify its capital structure as follows (collectively referred to as, the "Reorganization Transactions"):
  - RMCO's existing Class A preferred membership interest was converted into (i) a new preferred membership interest that reflected the liquidation preference of Weston Presidio V, L.P. ("Weston Presidio") of approximately $49,850,000 and (ii) a common interest that reflected Weston Presidio's pro-rata share of the residual equity value of RMCO;
  - RMCO effectuated a 25 for 1 split of the then existing number of outstanding common units so that one common unit could be acquired with the net proceeds received in RE/MAX Holdings, Inc.'s IPO from the sale of one share of RE/MAX Holdings, Inc.'s Class A common stock, after the deduction of underwriting discounts and commissions;
  - RE/MAX Holdings, Inc. became a member and the sole manager of RMCO following the purchase of common units of RMCO, as described below; and
  - Previously outstanding and unexercised options to acquire common units in RMCO were substituted for 787,500 options to acquire shares of RE/MAX Holdings, Inc.'s Class A common stock.
- the sale of 11,500,000 shares of Class A common stock in the IPO and the use of the proceeds to acquire the business assets of HBN and Tails and to purchase common units in RMCO. The acquisitions of HBN and Tails occurred on October 7, 2013 and are not deemed significant as defined in Rule 3-05 of Regulation S-X; and
- the tax receivable agreements entered into with RMCO's owners in connection with the consummation of the IPO. In the case of the unaudited pro forma condensed consolidated statements of income, a provision for corporate income taxes on the income of RE/MAX Holdings, Inc. at an effective rate of 38% which includes a provision for U.S. federal income taxes and assumes the highest statutory rates apportioned to each state, local and/or foreign jurisdiction.

RE/MAX Holdings, Inc.

Pro Forma Condensed Consolidated Statement of Income
Nine months ended September 30, 2013
(Unaudited)
(Amounts in thousands)

	Historical RMCO(1)	Historical HBN and Tails(1)	Pro Forma Adjustments for HBN and Tails Acquisitions (2)	Notes	Pro Forma Offering Adjustments (3)	Notes	Pro Forma RE/MAX Holdings, Inc.
Revenue:							
Continuing franchise fees	$ 47,037	$ 6,125	$ (1,847)		$ —		$ 51,315
Annual dues	22,052	—	—		—		22,052
Broker fees	18,704	2,090	(627)		—		20,167
Franchise sales and other franchise revenue	17,823	682	(172)		—		18,333
Brokerage revenue	13,012	—	—		—		13,012
Total revenue	118,628	8,897	(2,646)	2(a)	—		124,879
Operating expenses:							
Selling, operating and administrative expenses	70,088	5,522	(2,769)	2(a) (b)	—		72,841
Depreciation and amortization	11,088	—	1,274	2(c)	—		12,362
Loss on sale of assets, net	41	—	—		—		41
Total operating expenses	81,217	5,522	(1,495)		—		85,244
Operating income	37,411	3,375	(1,151)		—		39,635
Other expenses, net:							
Interest expense	(12,053)	—	—		—		(12,053)
Interest income	224	10	—		—		234
Foreign currency transaction losses, net	(135)	—	—		—		(135)
Loss on early extinguishment of debt	(1,798)	—	—		—		(1,798)
Equity in earnings of investees	736	—	—		—		736
Total other expenses, net	(13,026)	10	—		—		(13,016)
Income before provision for income taxes	24,385	3,385	(1,151)		—		26,619
Provision for income taxes	(1,733)	—	—		(2,269)	3(a)	(4,002)
Net income	$ 22,652	$ 3,385	$ (1,151)		$ (2,269)		$ 22,617
Less: Net income attributable to non-controlling interest					$ 16,088	3(b)	$ 16,088
Net income attributable to RE/MAX Holdings, Inc.							$ 6,529
Net income attributable to RE/MAX Holdings, Inc. per Class A common share 3(c)							
Basic							$ 0.56
Diluted							$ 0.53
Weighted average shares of Class A common stock outstanding 3(c)							
Basic							11,607,971
Diluted							12,255,123

The accompanying notes are an integral part of, and should be read together with, this unaudited pro forma condensed consolidated financial information.

RE/MAX Holdings, Inc.

Pro Forma Condensed Consolidated Balance Sheet
As of September 30, 2013
(Unaudited)
(Amounts in thousands, except units and shares)

	Historical RMCO(1)	Pro Forma Adjustments for HBN and Tails Acquisitions (2)	Notes	Pro Forma Offering Adjustments (3)	Notes	Pro Forma RE/MAX Holdings, Inc.
Assets						
Current assets:						
Cash and cash equivalents	$ 73,482	$ (27,305)	2 (aa)	$ 38,305	3 (aa)	$ 84,482
Escrow cash—restricted	912	—		—		912
Accounts and notes receivable, current portion, less allowances	16,385	1,340	2 (aa)	—		17,725
Accounts receivable from affiliates	116	—		—		116
Other current assets	2,733	23	2 (aa)	912	3 (bb)	3,668
Total current assets	93,628	(25,942)		39,217		106,903
Property and equipment, net	2,528	—		—		2,528
Franchise agreements, net	69,439	23,008	2 (aa)	—		92,447
Other intangible assets, net	2,511	—		—		2,511
Goodwill	70,902	3,179	2 (aa)	—		74,081
Deferred tax assets	—	—		93,777	3 (bb), 3 (cc)	93,777
Investments in equity method investees	3,710	—		—		3,710
Debt issuance costs, net	2,424	—		—		2,424
Other assets	6,820	15	2 (aa)	(4,816)	3 (dd)	2,019
Total assets	$ 251,962	$ 260		$ 128,178		$ 380,400
Liabilities, Redeemable Preferred Units and Members' Deficit/Stockholders' Equity						
Current liabilities:						
Accounts payable	$ 840	$ —		$ —		$ 840
Accounts payable to affiliates	2,397	—		—		2,397
Escrow liabilities	912	—		—		912
Accrued liabilities	10,188	260	2 (aa)	528	3 (ee)	10,976
Income taxes and tax distribution payables	7,266	—		(388)	3(ii)	6,878
Deferred revenue and deposits	15,524	—		—		15,524
Current portion of debt	17,300	—		—		17,300
Current portion of payable to related parties pursuant to tax receivable agreements	—	—		993	3 (cc)	993
Other current liabilities	116	—		—		116
Total current liabilities	54,543	260		1,133		55,936

RE/MAX Holdings, Inc.

Pro Forma Condensed Consolidated Balance Sheet
As of September 30, 2013
(Unaudited)
(Amounts in thousands, except units and shares)

	Historical RMCO(1)	Pro Forma Adjustments for HBN and Tails Acquisitions (2)	Notes	Pro Forma Offering Adjustments (3)	Notes	Pro Forma RE/MAX Holdings, Inc.
Debt, net of current portion	211,657	—		—		211,657
Payable to related parties pursuant to tax receivable agreements, net of current portion	—	—		52,452	3(cc)	52,452
Deferred revenue, net of current portion	292	—		—		292
Other liabilities, net of current portion	8,004	—		—		8,004
Total liabilities	274,496	260		53,585		328,341
Redeemable preferred units:						
Class A preferred units, at estimated redemption value (no par value, 150,000 units authorized, issued and outstanding as of September 30, 2013; liquidation preference of $49,850; none outstanding on a pro forma basis)	132,350	—		(132,350)	3(ff)	—
Members' deficit/Stockholders' equity:						
Class B common units (no par value, 900,000 units authorized, 847,500 units issued and outstanding as of September 30, 2013; none outstanding on a pro forma basis)	(156,447)	—		156,447	3(gg)	—
Accumulated other comprehensive income	1,563	—		—		1,563
Class A common stock, par value $0.0001 per share, 180,000,000 shares authorized; 11,607,971 shares issued and outstanding on a pro forma basis	—	—		1		1
Class B common stock, par value $0.0001 per share, 1,000 shares authorized; 1 share issued and outstanding on a pro forma basis	—	—		—		—
Additional paid-in capital	—	—		279,217	3(hh)	279,217
Retained earnings	—	—		(2,191)	3(ii)	(2,191)
Total members' deficit/stockholders' equity attributable to RE/MAX Holdings, Inc.	(154,884)	—		433,474		278,590
Non-controlling interest	—	—		(226,531)	3(gg)	(226,531)
Total members' deficit/stockholders' equity	(154,884)	—		206,943		52,059
Total liabilities, redeemable preferred units and members' deficit/stockholders' equity	$ 251,962	$ 260		$ 128,178		$ 380,400

The accompanying notes are an integral part of, and should be read together with, this unaudited pro forma condensed consolidated financial information.

Basis of Presentation and Description of Transactions

The IPO closed on October 7, 2013, pursuant to which RE/MAX Holdings, Inc. raised a total of $253,000,000 in gross proceeds from the sale of 11,500,000 shares of Class A common stock at $22.00 per share or $224,922,500 in net proceeds after deducting $17,077,500 of underwriting discounts and commissions and $11,000,000 of estimated offering expenses, which were incurred by RMCO in connection with the IPO. Pursuant to the IPO, we offered and sold 11,500,000 shares of Class A common stock.

RE/MAX Holdings, Inc. used $27,305,000 of the net proceeds of the IPO to reacquire regional RE/MAX franchise rights in the Southwest and Central Atlantic regions of the U.S. through the acquisitions of HBN and Tails. Immediately following the completion of the acquisitions of the business assets of HBN and Tails, such assets were contributed to RMCO in exchange for a number of newly issued common units of RMCO valued at $27,305,000, which reflects the IPO price of $22.00 per share, net of underwriters' commissions.

All of the remaining net proceeds of the IPO were used to purchase newly issued common units from RMCO at a price per common unit equal to the public offering price per share of our Class A common stock, less underwriting discounts. RMCO used a portion of the net proceeds it received from us to first redeem all of the outstanding preferred membership units in RMCO held by Weston Presidio and to satisfy its liquidation preference associated with those preferred membership units which was $49,850,000. Following RMCO's redemption of all of the outstanding preferred membership units in RMCO from Weston Presidio, RMCO then redeemed all common units held by Weston Presidio and used the remaining net proceeds received less $11,000,000 which was reserved for the payment of IPO expenses, to redeem common units of RMCO from RIHI, Inc. ("RIHI") at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts.

1. Historical Results of Operations and Financial Position

Condensed consolidated statement of income data for the nine months ended September 30, 3013 and condensed consolidated balance sheet data as of September 30, 2013 for RMCO were derived from our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. The historical HBN and Tails results of operations for the nine months ended September 30, 2013 and the historical financial position of HBN and Tails as of September 30, 2013 were derived from the HBN and Tails unaudited financial statements.

2. Pro Forma Adjustments for HBN and Tails Transactions

The historical results of operations of HBN and Tails have been adjusted to give pro forma effect to events that are (i) directly attributable to the acquisitions of HBN and Tails, (ii) factually supportable and (iii) expected to have a continuing impact on the combined results, as if the HBN and Tails acquisitions occurred on January 1, 2013 (referred to as "Pro Forma Adjustments for HBN and Tails Acquisitions").

Unaudited Pro Forma Condensed Consolidated Statement of Income – Nine-month Period Ended September 30, 2013

(a) The pro forma adjustment to total revenue reflects the elimination of continuing franchise fees, broker fees and franchise sales of $2,646,000 paid by HBN and Tails to RMCO during the nine months ended September 30, 2013. As a result, also reflected is a reduction in HBN and Tails' selling, operating and administrative expenses for the same amount.

(b) The pro forma adjustment to selling, operating and administrative expenses also reflects a reduction of $123 ,000 relating to direct acquisition costs incurred related to the acquisitions of HBN and Tails.

(c) The pro forma adjustment to depreciation and amortization reflects an increase of $1,274,000 in amortization expense related to the regional franchise agreement intangible assets acquired, which were determined to have an acquisition date fair value of $23,008,000 and have a remaining contractual term of approximately 14 years.

Unaudited Pro Forma Condensed Consolidated Balance Sheet – As of September 30, 2013

(aa) Pro forma adjustments reflect the acquisitions of the business assets of HBN and Tails, including the re-acquired rights under the regional franchise agreements issued by us permitting the sale of RE/MAX franchises in the Southwest and Central Atlantic regions of the U.S. The purchase price has been allocated to the assets acquired and liabilities assumed based on management's preliminary estimate of their respective fair values. The following table summarizes the preliminary allocation of the purchase price related to the HBN and Tails acquisitions as reflected in the unaudited pro forma condensed consolidated balance sheet as of September 30, 2013 (in thousands):

Accounts and notes receivable	$ 1,340
Other current assets	23
Franchise agreements	23,008
Goodwill	3,179
Other assets	15
Accrued liabilities	(260)
	$ 27,305

The valuation of the re-acquired regional franchise agreements were valued using an income approach and will be amortized over the remaining contractual term of approximately 14 years. The estimate of the fair values is preliminary and may change.

3. Pro Forma Offering Adjustments

The Pro Forma RE/MAX Holdings, Inc. condensed consolidated financial information includes the Historical Results of Operations and Financial Position of RMCO and the Pro Forma Adjustments for HBN and Tails Acquisitions and gives further effect to the following (referred to as "Pro Forma Offering Adjustments"): (i) the use of all of the remaining net proceeds from our IPO, after deducting underwriting discounts to purchase newly issued common units of RMCO from RMCO at a price per common unit equal to the public offering price per share of our Class A common stock, less underwriting discounts; (ii) RMCO's subsequent use of $49,850,000 of the net proceeds it received from us to first redeem all of the outstanding preferred membership units in RMCO held by Weston Presidio, which represent Weston Presidio's liquidation preference associated with those preferred membership units and the complete redemption of Weston Presidio's remaining common membership equity interest at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts totaling $76,931,250; and (iii) subsequent to RMCO's redemption of all of the outstanding preferred and common membership units in RMCO from Weston Presidio, RMCO used the remaining net proceeds from the IPO, less $11,000,000 which was reserved for the payment of IPO expenses, to redeem common units of RMCO from RIHI at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts.

Unaudited Pro Forma Condensed Consolidated Statement of Income – Nine months ended September 30, 2013

(a) Subsequent to the closing of the IPO, RE/MAX Holdings, Inc. will be subject to U.S. federal income taxes, in addition to state, local and international taxes, with respect to our allocable share of any net taxable income of RMCO , which will result in higher income taxes. As a result, the pro forma statements of income reflect an adjustment to our provision for corporate income taxes to reflect an estimated effective rate of 38.0%, which includes provisions for U.S. federal income taxes and assumes the highest statutory rates apportioned to each state, local and/or foreign jurisdiction.

The provision for income taxes from operations differs from the amount of income tax computed by applying the applicable U.S. statutory federal income tax rate to incom e before provision for income taxes as follows:

Federal statutory rate	35.0%
State and local rate	3.0%
Rate benefit from flow-through entity	(23.0)%
Effective tax rate	15.0%

(b) As a result of the Reorganization Transactions and IPO, RE/MAX Holdings, Inc. became the sole managing member of RMCO. RE/MAX Holdings Inc. owns less than 100% of the economic interest in RMCO but has 100% of the voting power and control of the management of RMCO. Immediately following the Reorganization Transactions and IPO, the non-controlling interest became 60.44%. Net income attributable to the non-controlling interest represents 60.44% of RMCO's income before income taxes. These amounts have been determined based on the actual offering price of $22.00 in the IPO.

(c) The shares of Class B common stock do not share in our earnings and are therefore not included in the weighted average shares outstanding or net income available per share. The pro forma basic net income per share calculation includes 11,500,000 shares sold in the IPO. In addition, we granted vested restricted stock units with respect to 107,971 shares of our Class A common stock to our officers and employees, all of which are included in the shares used to calculate pro forma basic and diluted earnings per share.

The pro forma diluted net income per share calculation includes the basic weighted average shares of Class A common stock outstanding plus the dilutive impact of 787,500 outstanding options issued upon substitution of RMCO Class B common unit options calculated using the treasury stock method.

Unaudited Pro Forma Condensed Consolidated Balance Sheet – As of September 30, 2013

(aa) The following pro forma adjustments were recorded to cash (in thousands):

Net proceeds received by RE/MAX Holdings, Inc. from the IPO, before consideration of $11,000 for IPO expenses	$ 235,923
Redemption of the liquidity preference held by Weston Presidio	(49,850)
Redemption of RMCO common units held by Weston Presidio and RIHI	(147,768)
	$ 38,305

The balance of $38,305,000 includes $27,305,000 of the proceeds received to purchase the business assets of HBN and Tails. The adjustment to cash for the purchase of HBN and Tails has been reflected elsewhere in the Pro Forma Condensed Consolidated Balance Sheet under "Pro Forma Adjustments for HBN and Tails Acquisitions" as described in footnote 2(aa). The remaining $11,000,000 represents proceeds received by RE/MAX Holdings, Inc. to purchase newly issued common units of RMCO. RMCO used the proceeds from such sale to offset IPO expenses incurred by RMCO.

(bb) RE/MAX Holdings, Inc. will be subject to U.S. federal income taxes, in addition to state, local and international taxes, with respect to our allocable share of any net taxable income of RMCO. As a result, the pro forma condensed consolidated balance sheet reflects our proportionate share of existing temporary differences between the book basis and tax basis related to assets (primarily intangible assets and fixed assets) and liabilities as of September 30, 2013 of approximately $2,011,000, comprised of $912,000 of current deferred tax assets and $1,099,000 of long-term deferred tax assets. The net deferred tax asset is shown as an increase to additional paid-in capital within the pro forma condensed consolidated balance sheet.

(cc) Pro forma adjustments reflect the effects of the tax receivable agreements on our consolidated balance sheet as a result of RE/MAX Holdings, Inc. 's purchase of common units from RMCO and RMCO's related redemption of preferred units from Weston Presidio and common units from Weston Presidio and RIHI with the net proceeds from the IPO. Pursuant to the tax receivable agreements, RE/MAX Holdings, Inc. will be required to make cash payments to our existing owners equal to 85% of the amount of cash savings, if any, in U.S. federal, state and local tax that RE/MAX Holdings, Inc. actually realizes, or in some circumstances is deemed to realize, as a result of certain future tax benefits to which RE/MAX Holdings, Inc. may become entitled. These tax benefit payments are not necessarily conditioned upon one or more of the existing owners maintaining a continued ownership interest in either RMCO or RE/MAX Holdings, Inc. RE/MAX Holdings, Inc. expects to benefit from the remaining 15% of cash savings, if any, that it may actually realize.

As a result, on the closing date of the IPO, on a cumulative basis, the net effect of accounting for income taxes and the tax receivable agreements on our financial statements was a net increase in stockholders' equity of $39,233,000. The amounts to be recorded for both the deferred tax assets and the liability for our obligations under the tax receivable agreements have been estimated and will be finalized in the fourth quarter of 2013.

A summary of the adj ustments recorded on a pro forma basis is as follows:

- we recorded an increase of $ 92,678,000 in deferred tax assets for estimated income tax effects of the increase in the tax basis of the purchased interests, based on an effective income tax rate of 38.0% (which includes a provision for U.S. federal, state, local and/or foreign income taxes);
- we recorded $ 53,445,000, which is discounted at our incremental borrowing rate, and represents 85% of the estimated realizable tax benefit resulting from (i) the increase in tax basis in the intangible assets of RMCO on the date of the offering and (ii) certain other tax benefits related to entering into the tax receivable agreements, including tax benefits attributable to payments under the tax receivable agreements as an increase to the liability due to existing owners under the tax receivable agreements; and
- we recorded an increase to additional paid -in capital of $39,233,000, which is an amount equal to the difference between the increase in deferred tax assets and the increase in liability due to existing owners under the tax receivable agreements.

(dd) IPO expenses were approximately $11,000,000. Of this amount approximately $4,816,000 was deferred as of September 30, 2013 and was deducted against the proceeds received by RMCO.

(ee) We paid $528 ,000 to our employees related to a cash bonus plan that was tied to the successful completion of the IPO.

(ff) Represents $49,850 ,000 of net proceeds received from the IPO to completely redeem the preferred membership interest held by Weston Presidio and the reorganization transaction, which resulted in $82,500,000 being reclassified to RMCO common units.

(gg) As a result of the Reorganization Transactions and IPO, RE/MAX Holdings, Inc. became the sole managing member of RMCO. As the sole manager, RE/MAX Holdings, Inc. controls all of the day -to-day business affairs and decision-making of RMCO without the approval of any other member. As such, RE/MAX Holdings, Inc., through its officers and directors, is responsible for all operational and administrative decisions of RMCO and the day-to-day management of RMCO's business. As a result, we consolidate the financial results of RMCO and record an amount as non-controlling interest on our consolidated balance sheet.

The balance of the non -controlling interest as of September 30, 2013 on a pro forma basis is as follows (in thousands):

RMCO equity held by the non-controlling interest holders prior to the Reorganization Transactions	$	(156,447)
Reorganization Transactions whereby a portion of the Class A preferred units are converted to common units		82,500
Redemption of the remaining common interest held by Weston Presidio, and a portion of the common interest held by RIHI		(147,768)
Deferred offering expenses incurred by RMCO prior to the IPO and deducted against the proceeds received		(4,816)
	$	(226,531)

(hh) In connection with the IPO adjustments recorded to additional paid -in-capital on a pro forma basis are as follows (in thousands):

Proceeds received by RE/MAX Holdings, Inc. from the IPO, net of underwriting discounts	$	235,922	
Value related to RE/MAX Holdings, Inc.'s proportionate share of future tax benefits associated with the deferred tax assets in existence as of the IPO date		2,011	3 (bb)
Increase to additional paid-in-capital for an amount equal to the difference between the increase in deferred tax assets and the increase in liability due to existing owners under the tax receivable agreements		39,233	3(cc)
Increase in additional paid-in-capital for restricted stock units granted to our officers and employees that vested immediately		2,051	3(ii)
	$	279,217	

(ii) On the effective date of the IPO, we granted vested restricted stock units with respect to 107,971 shares of our Class A common stock to our officers and employees at the IPO price of $22.00 per share of our Class A common stock resulting in total compensation expense of approximately $2,051,000. In addition, we paid $528,000 to our employees related to a cash bonus plan that was tied to the successful completion of the IPO. The effect on income taxes payable for the vested restricted stock units that were granted and the cash bonus that was paid is $388,000. These transactions have not been reflected in the unaudited pro forma condensed consolidated statements of income because they do not have a continuing impact but have been reflected in the accompanying unaudited pro forma condensed consolidated balance sheet as of September 30, 2013.

In addition, on the effective date of the IPO, we granted 115,699 restricted stock units to our officers and employees, which vest over a three year period and 18,184 restricted stock units to our directors, which vest over a one year perio d. As a result of the vesting requirements associated with the restricted stock units, we will recognize the following recurring non-cash compensation charges from the closing date of the IPO through 2016, which are not included in the unaudited pro forma condensed consolidated statements of income, nor reflected in the unaudited pro forma condensed consolidated balance sheet (in thousands):

2013 (partial year, from close of the IPO)	$ 264
2014	1,029
2015	754
2016	691
Total	$ 2,738

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition, results of operations and cash flows should be read in conjunction with (1) the unaudited condensed financial statements of RE/MAX Holdings, Inc. and the related notes thereto and the unaudited condensed consolidated financial statements of RMCO, LLC and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q, and (2) the audited consolidated financial statements and notes thereto and management's discussion and analysis of financial condition and results of operations for the fiscal year ended December 31, 2012 included in our prospectus dated October 1, 2013, filed with the U.S. Securities and Exchange Commission ("SEC") on October 3, 2013 pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended (the "Securities Act") (File No. 333-190699). This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements are often identified by the use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "will," "would" or the negative or plural of these words or similar expressions or variations. For example, forward-looking statements include statements we make relating to:

- *our expectations regarding consumer trends in residential real estate transactions;*
- *our expectations regarding overall economic and demographic trends, including the continued recovery of the U.S. residential real estate market;*
- *our expectations regarding our performance during future downturns in the housing sector;*
- *our growth strategy of increasing our agent count;*
- *the non-cash compensation expense we expect to recognize in connection with the equity we granted in connection with the initial public offering of RE/MAX Holdings, Inc.;*
- *our future financial performance;*
- *the effects of laws applying to our business;*
- *our ability to retain our senior management and other key employees;*
- *our intention to pursue additional intellectual property protections;*
- *our future compliance with U.S. or state franchise regulations; and*
- *other plans and objectives for future operations, growth, initiatives or strategies.*

Such forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified herein, and those discussed in the section titled "Risk Factors", set forth in Part II, Item 1A of this Quarterly Report on Form 10-Q and in our other SEC filings. You should not rely upon forward-looking statements as predictions of future events. Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

Significant Transactions

The historical results of operations discussed in this Management's Discussion and Analysis of Financial Condition and Results of Operations are those of RMCO, LLC and its consolidated subsidiaries (the "Company," "RMCO," "we," "our" or "us") . On October 7, 2013, RE/MAX Holdings, Inc. issued and sold 11,500,000 shares of Class A common stock at a public offering price of $22.00 per share in its initial public offering (the "IPO"). Prior to the IPO, RMCO was wholly-owned by its previous owners, Weston Presidio V. L.P. ("Weston Presidio") and RIHI, Inc. ("RIHI"). The net offering proceeds to RE/MAX Holdings, Inc. from the IPO, after deducting underwriting discounts and commissions totaling approximately $17.1 million and offering expenses totaling approximately $11.0 million, were approximately $224.9 million. After the consummation of the IPO, the holders of RE/MAX Holdings., Inc.'s Class A common stock collectively held 100% of its economic interests and have 24.66% of the total outstanding voting power of RE/MAX Holdings, Inc. The holder of RE/MAX Holdings, Inc.'s Class B common stock had the remaining 75.34% of the total outstanding voting power of RE/MAX Holdings, Inc.

RE/MAX Holdings, Inc. used $27.3 million of the net proceeds from the IPO to reacquire regional RE/MAX franchise rights in the Southwest and Central Atlantic regions of the U.S. through the acquisitions of the business assets of HBN, Inc. ("HBN") and Tails, Inc. ("Tails"). The remaining $197.6 million of net proceeds was used to purchase newly issued common units of RMCO from RMCO at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts. RMCO used the proceeds it received to pay a $49.9 million liquidity preference associated with RMCO's preferred membership interest and $147.8 million to redeem common units in RMCO, at a price per common unit equal to the public offering price per share of RE/MAX Holdings, Inc.'s Class A common stock, less underwriting discounts.

In connection with the completion of the IPO, RE/MAX Holdings, Inc. became a member and the sole manager of RMCO. As the sole manager of RMCO, RE/MAX Holdings, Inc. now controls its business and affairs and, therefore, RE/MAX Holdings, Inc. will consolidate its financial results. However, RIHI , a former member of RMCO, retained common units in RMCO representing a collective 60.44% equity interest in RMCO, and as a result, RIHI's collective interest will be reflected as a non-controlling interest in RE/MAX Holdings, Inc.'s consolidated financial statements. RE/MAX Holdings, Inc.'s net income will represent its proportionate share of RMCO's pre-tax net income beginning on October 7, 2013 and its sole asset will be its corresponding controlling equity interest in RMCO.

Business Overview

We are one of the world's leading franchisors of real estate brokerage services. Our business strategy is to recruit and retain agents and sell franchises. Our franchisees operate under the RE/MAX brand name which has held the number one market share in the U.S. and Canada since 1999 as measured by total residential transaction sides completed by our agents.

Our financial results are driven by the number of agents in our global network. The majority of our revenue is derived from fixed, contractual fees and dues paid to us based on the number of agents in our franchise network.

Our current growth strategies include the following initiatives:

- Capitalize on the U.S. housing recovery and increase our total agent count.
- Continue to drive franchise sales growth and agent recruitment and retention.
- Reacquire select RE/MAX regional franchises in the U.S. and Canada.
- Increase franchise and agent fees.

As a franchisor (less than 1% of the brokerages in the U.S. RE/MAX system are owned by us), we maintain a low fixed-cost structure which enables us to generate high margins and helps us drive significant operating leverage through incremental revenue growth as reflected in our financial results.

RMCO operates in two reportable segments, (1) Real Estate Franchise Services and (2) Brokerage and Other. The Real Estate Franchise Services reportable segment comprises the operations of our owned and independent global franchising operations. The Brokerage and Other reportable segment contains the operations of our 21 owned brokerage offices in the U.S. which represent less than 1% of RE/MAX brokerages in the U.S., the results of operations of a mortgage brokerage company in which we own a non-controlling interest, the elimination of intersegment revenue and other consolidation entities, as well as corporate and professional services expenses. Our reportable segments represent our operating segments for which separate financial information is available and which is utilized on a regular basis by our management to assess performance and to allocate resources.

How We Assess the Performance of Our Business

In assessing the performance of our business, we consider a variety of financial and operating measures that affect our operating results, including agent count, revenue and Adjusted EBITDA.

Agent Count . Agent count reflects the number of licensed agents who have active, independent contractual relationships with RE/MAX offices at a particular time. The majority of our revenue is derived from recurring fixed fee streams we receive from our franchisees and agents that are closely correlated to our aggregate agent count.

Factors Affecting Our Consolidated Operating Results

Various factors affected our results for the periods presented in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" including the following:

Changes in Agent Count . The majority of our revenue is derived from fees and dues based on the number of agents in the RE/MAX network. Due to the low fixed cost structure of our franchise model, the addition of new agents generally requires little incremental investment in capital or infrastructure. Accordingly, the number of agents in our network (particularly in our owned U.S. and Canadian regions) is the most important factor affecting our results of operations and the addition of new agents can favorably impact our revenue and Adjusted EBITDA. Historically, the number of agents in the residential real estate industry has been highly correlated with overall home sale transaction activity. Our agent count decreased during the downturn in the U.S. housing sector, but has recently returned to growth as the market has started to recover. However, we do not use our overall home sale transaction activity on a per agent or aggregate basis in order to evaluate our results of operations. We believe that the number of agents in our network is the primary statistic that drives our revenue.

Cyclical Residential Real Estate Market . The residential real estate industry in which we operate is cyclical and, consequently, our revenue is affected by general conditions within the residential real estate market.

- *U.S. Real Estate Downturn* . From the second half of 2005 through 2011, the U.S. real estate industry experienced a significant downturn, with existing home transactions declining by 40% from 7.1 million in 2005 to 4.3 million in 2011 and the median home sale price declining by 24% from $219,600 in 2005 to $166,100 in 2011, according to the National Association of Realtors ("NAR"). The majority of our revenue is derived from recurring, fixed contractual fees and dues paid by our agents, franchisees and regional franchise owners, which we believe provides for a more stable revenue stream than a model based upon real estate transaction activity, which would be impacted more significantly during industry downturns. For example, during the downturn in the U.S. housing sector discussed above, our total revenue declined by approximately 20% between the peak level in 2007 and the recent low point in 2011, which represented our highest and lowest revenue periods during the most recent cycle.

- *U.S. Real Estate Recovery* . The U.S. real estate industry experienced a strong rebound in 2012, with a total of 5.0 million home sale transactions according to NAR, of which approximately 4.7 million are estimated to represent existing home sale transactions, which increased 9.4% over 2011. In addition, NAR is forecasting that (i) in 2013, existing home sales will increase by 8.3% to 5.0 million units and median existing home sale prices will increase by 10.6%, each as compared to 2012; and (ii) in 2014, existing home sales will increase by 2.5% to 5.2 million units and median existing home sale prices will increase by 5.7%, each as compared to 2013. Historically, an increase in overall transaction activity is highly correlated with a subsequent increase in the number of agents in the residential real estate brokerage industry. We believe that a continuation of the housing recovery in the U.S. will support our efforts to increase our agent count in the U.S., which in turn should increase our revenue and Adjusted EBITDA.

Changes in Aggregate Fee Revenue Per Agent . A significant portion of our revenue is tied to various fees that are ultimately tied to the number of agents, including annual dues, continuing franchise fees and certain transaction or service based fees. Our average annual revenue per agent for our Company-owned Regions in the U.S. and Canada is almost two times greater than for our Independent Regions. Our average revenue per agent in regions outside the U.S. and Canada is substantially lower than the average revenue per agent in the U.S. and Canada. We have expanded our owned regional franchising operations through acquisitions of Independent Regions in the U.S. and Canada. We reacquired the regional franchise rights for the Mountain States region in 2011 and for the Texas region in 2012. On October 7, 2013, we reacquired regional RE/MAX franchise rights in the Central Atlantic and Southwest regions, and intend to pursue reacquisition of other regions in the future. In addition, other changes in our aggregate revenue per agent are derived from changes in our fee arrangements with our franchisees and agents over time. Our revenue per agent also increases in other ways including when transaction sides and transaction sizes increase since a portion of our revenue comes from fees tied to the number and size of real estate transactions closed by our agents. Given the low fixed cost structure of our franchise model, modest increases in revenue per agent can have a significant impact on our profitability.

The following table shows our agent count at the end of, and the net change in agent count for the periods indicated:

	As of							
	September 30, 2013	**June 30, 2013**	**March 31, 2013**	**December 31, 2012**	**September 30, 2012**	**June 30, 2012**	**March 31, 2012**	**December 31, 2011**
	(in thousands)							
Agent Count:								
U.S. (1)								
Company-owned regions	27,343	26,846	26,189	21,605	21,597	21,355	21,128	21,050
Independent regions	26,879	26,482	26,030	30,198	30,300	30,135	29,990	30,102
U.S. Total	**54,222**	**53,328**	**52,219**	**51,803**	**51,897**	**51,490**	**51,118**	**51,152**
Canada								
Company-owned regions	6,089	6,106	6,073	6,070	6,105	6,106	6,052	5,976
Independent regions	12,934	12,939	12,804	12,796	12,789	12,746	12,619	12,594
Canada Total	**19,023**	**19,045**	**18,877**	**18,866**	**18,894**	**18,852**	**18,671**	**18,570**
Outside U.S. and Canada (2)								
Company-owned regions	319	316	334	1,199	1,203	1,252	1,254	1,276
Independent regions	19,167	19,120	18,542	17,140	16,909	16,893	16,641	16,478
Outside U.S. and Canada Total	**19,486**	**19,436**	**18,876**	**18,339**	**18,112**	**18,145**	**17,895**	**17,754**
Total	**92,731**	**91,809**	**89,972**	**89,008**	**88,903**	**88,487**	**87,684**	**87,476**
Net change in agent count compared to the prior period	922	1,837	964	105	416	803	208	

(1) T he Texas region converted from an Independent Region to a Company-owned Region in connection with the reacquisition of the regional franchise rights of RE/MAX of Texas on December 31, 2012. The agent count amounts reflected above in U.S. Independent Regions for Texas were: 4,214, 4,206, 4,155, 4,107 and 4,128 as of December 31, 2012 through December 31, 2011, respectively.

(2) T he Australia and New Zealand regions converted from Company-owned Regions to Independent Regions. The agent count amounts reflected above in Company-owned Regions for Australia and New Zealand were: 863, 863, 907, 902 and 917 as of December 31, 2012 through December 31, 2011, respectively.

Substantially all of our revenue is derived from the U.S. and Canada. Our agent count decreased during the U.S. housing sector downturn, but has recently returned to growth as the market started to rebound in 2012.

Revenue . The majority of our revenue is derived from recurring, fixed contractual fees and dues paid by our agents, franchisees and regional franchise owners with a smaller percentage of our revenue being based on transaction activity derived from a percentage of agent commissions.

Adjusted EBITDA . We present Adjusted EBITDA because we believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our business and provides greater transparency into our results of operations. Our management uses Adjusted EBITDA as a factor in evaluating the performance of our business. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. See below under "—Non-GAAP Financial Measures" for further discussion of our presentation of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income.

We define Adjusted EBITDA as EBITDA (consolidated net income before depreciation and amortization, interest expense, net and income taxes, each of which is presented in our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q), adjusted for the impact of the following items that we do not consider representative of our ongoing operating performance: (gain) loss on sale of assets and sublease, loss on extinguishment of debt, equity- based compensation, deferred rent adjustments, salaries paid to David and Gail Liniger , our Chairman and Vice Chairman, respectively, that we will not continue to pay subsequent to the completion of the IPO, expenses incurred in connection with the IPO, reorganization costs and acquisition transaction costs. See "—Non-GAAP Financial Measures."

Because Adjusted EBITDA omits certain non-cash items and other infrequent cash charges, we feel that it is less susceptible to variances in actual performance resulting from depreciation, amortization and other non-cash charges and other infrequent cash charges and is more reflective of other factors that affect our operating performance.

Our Adjusted EBITDA margins result from the high margin Real Estate Franchise Services segment, offset slightly by the owned real estate brokerage operations, which have much lower margins due primarily to higher fixed costs resulting from rent expense, which in turn adversely impacts our consolidated margins.

Components of Operating Results

Revenue

The majority of our revenue is derived from recurring, fixed contractual fees and dues paid by our agents, franchisees and regional franchise owners, with a smaller percentage of our revenue being based on transaction activity derived from a percentage of agent commissions.

- *Continuing Franchise Fees** . In the U.S. and Canada, continuing franchise fees are fixed contractual fees paid monthly by regional franchise owners in Independent Regions, or franchisees in Company-owned Regions, to RE/MAX based on the number of agents in the franchise region or the franchisee's office. Continuing franchise fees are typically approximately $120 per month per agent. In our Company-owned Regions, we receive the entire amount of the continuing franchise fee. In Independent Regions, we generally receive 15%, 20% or 30% of the continuing franchise fee established by the terms of the applicable contract with the Independent Region, which is a fixed rate.

- *Annual Dues** . Annual dues are the membership fees which agents pay to be a part of the RE/MAX network and brand, are due on the anniversary date of the agent's joining RE/MAX and are recognized ratably over the following twelve-month period. Annual dues revenue may be impacted by the fact that annual dues are deferred and recognized over a twelve-month period from the agent's anniversary date as well as the related timing of agent losses and agent gains during that period. Annual dues are currently a flat fee of US$390 for U.S. agents and C$390 for Canadian agents and are paid directly to us. Annual dues revenue is driven by the number of agents in our network. We receive 100% of the annual dues fee, regardless of whether the agent is in a Company-owned Region or Independent Region.

- *Broker Fees** . Broker fees are assessed to the broker against real estate commissions paid by customers when an agent sells a home. Agents pay a negotiated percentage of these earned commissions to the broker in whose office they work. Broker-owners in turn pay a percentage of the commission to the regional franchisor. Generally the amount paid by broker-owners to the regional franchisor, which we refer to as the "broker fee," is 1% of the total commission on the transaction. In our Company-owned Regions, we receive the entire amount of the broker fee. In Independent Regions, we generally receive 15%, 20% or 30% of the broker fee established by the terms of the applicable franchise agreement with the Independent Region, which is a fixed rate.

  The amount of commission collected by franchi sees is based primarily on the sales volume of RE/MAX agents and real estate commissions earned by agents on these transactions. These broker fees therefore depend upon the overall volume of existing residential home sales and home sale prices. Because there are little incremental variable costs associated with this revenue stream, increased home sales provide us with incremental upside during a real estate market recovery.

- *Franchise Sales and Other Franchise Revenue.* Franchise sales and other franchise revenue is primarily comprised of:

  - *Franchise Sales* . Franchise sales consists of revenue from sales and renewals of individual franchises from Company-owned Regions and Independent Regions, as well as regional master franchises in international markets. We receive only a portion of the revenue from the sales and renewals of individual franchises from Independent Regions.

  - *Other Franchise Revenue* . Other franchise revenue includes revenue from preferred marketing arrangements and approved supplier programs with third parties, including mortgage lenders and other real estate service providers, as well as event-based revenue from training and other programs, including our annual convention in the U.S.

- *Brokerage Revenue.* Brokerage revenue principally represents fees assessed by our owned brokerages for services provided to their affiliated real estate agents. We have 21 owned brokerage offices solely in the U.S. that represent less than 1% of the over 3,300 real estate brokerage offices that operate under the RE/MAX brand name in the U.S.

* We base our continuing franchise fees, annual dues and broker fees outside the U.S. and Canada on generally the same structure as our U.S. and Canadian Independent Regions, except that revenue earned by us in those regions is substantially lower than in our U.S. and Canadian Independent Regions.

Operating Expenses

Operating expenses include selling, operating and administrative expenses, depreciation and amortization and the gains and losses on sales of assets. Set forth below is a brief discussion of some of the key operating expenses that impact our results of operations:

- *Selling, operating and administrative expenses* . Selling, operating and administrative expenses primarily consists personnel costs comprised of salaries, benefits and other compensation expenses paid to our personnel as well as certain marketing and production costs that are not paid by our related party advertising funds, including travel and entertainment costs, costs associated with our annual convention and other events, rent expense and professional fee expenses. We expect our selling, operating and administrative expenses to increase related to obligations associated with becoming a public company including compliance with the Sarbanes-Oxley Act, as well as legal, accounting, tax and other expenses that we did not incur as a private company.
- *Depreciation and amortization* . Depreciation and amortization expense consists of our depreciation expense related to our investments in property and equipment and our amortization of long-lived assets and intangibles, which consists principally of capitalized software, trademarks and franchise agreements. Depreciation and amortization expense may increase as we continue to pursue acquisitions.
- *Gains and losses on sale of assets* . Gains and losses on sale of assets are recognized when assets are disposed of for amounts greater than or less than their carrying values.

Other Expenses, Net

Other expenses, net include interest expense, interest income, foreign currency transactions gains and losses, losses on the early extinguishment of debt and equity in earnings of investees.

The most significant items that are included in other expenses, net are interest expense and interest income, which consist primarily of interest on borrowings under our credit agreement with JPMorgan Chase Bank, N.A., as administrative agent, and various lenders party thereto on July 31, 2013 (the "Senior Secured Credit Facility") and income earned on our cash and cash equivalents. Our interest expense depends on the level of our outstanding indebtedness as well as the applicable interest rate with respect to outstanding indebtedness which is a variable rate in excess of any contractual interest rate floor, tied to prevailing interest rates.

Provision for Income Taxes

RMCO is classified as a partnership for U.S. federal income tax purposes and thus, is treated as a "flowthrough entity." As a result, prior to the IPO, our business was not generally subject to direct U.S. federal income tax and certain state income tax obligations. Our subsidiaries that operate in foreign jurisdictions are, however, taxable entities. Income taxes incurred by the subsidiaries that operate in foreign jurisdictions are recorded in the provision for income taxes. RE/MAX Holdings, Inc. is organized as a corporation for tax purposes that is subject to direct U.S. federal corporate income tax and certain state corporate income tax obligations. Following the IPO, these corporate tax obligations will generally arise with respect to, and be payable in respect of, our allocable share of net income attributable to the business operations of RMCO.

Acquisitions and Divestitures

One of our strategies is to pursue reacquisitions of regional franchise rights in Independent Regions in the U.S. and Canada. We receive a higher amount of revenue per agent in our Company-owned Regions than in our Independent Regions. While both Company-owned Regions and Independent Regions charge relatively similar fees to RE/MAX brokerages and agents, we receive the entire amount of the continuing franchise fee, broker fee, initial franchise fee and franchise renewal fee in Company-owned Regions, whereas we receive only a portion of these fees in Independent Regions.

Effective October 7, 2013, RE/MAX Holdings, Inc. used $27.3 million of the proceeds from the IPO to reacquire regional franchise rights in the Southwest and Central Atlantic regions of the U.S. through the acquisitions of the business assets of HBN and Tails and contributed these assets to us in exchange for ownership interest. The unaudited condensed consolidated financial statements of RMCO, included elsewhere in this Form 10-Q, as of September 30, 2013 and for the three and nine months ended September 30, 2013 exclude the financial position, results of operations and cash flows of HBN and Tails for the periods presented.

Effective December 31, 2012, we acquired certain assets of RE/MAX of Texas, including the regional franchise agreements permitting the sale of RE/MAX franchises in the state of Texas. The purchase price was $45.5 million and was paid in cash primarily using proceeds from borrowings. We recorded $30.2 million of goodwill in connection with this acquisition, which consisted of the excess of the purchase price over the fair value of the identifiable assets acquired.

Effective November 30, 2012, we sold substantially all of the assets of owned and operated regional franchising operations located in Eastern Australia and New Zealand and entered into regional franchising agreements with new independent owners of these regions. We decided to sell these operations following our determination that due to the costs, logistics and differences in local markets, we were not able to efficiently operate these foreign regions given their remoteness from our U.S. headquarters. We sold these regions for a net purchase price of approximately $0.2 million. We recognized losses on the sale of the assets amounting to approximately $1.7 million, as the consideration received in the transactions was lower than the value of the assets of these operations as reflected in our consolidated financial statements prior to the sale transaction.

We may pursue additional acquisitions or investments in other complementary businesses, services and technologies that would provide access to new markets or customers, or otherwise complement our existing operations.

Results of Operations

For comparability purposes, the following tables set forth our results of operations for the periods presented as dollars (in thousands) for those periods. The period-to-period comparison of financial results is not necessarily indicative of financial results to be achieved in future periods.

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenue:				
Continuing franchise fees	$ 16,093	$ 14,418	$ 47,037	$ 42,293
Annual dues	7,455	7,208	22,052	21,376
Broker fees	7,204	5,685	18,704	14,801
Franchise sales and other franchise revenue	5,076	6,806	17,823	17,806
Brokerage revenue	4,484	4,312	13,012	12,321
Total revenue	40,312	38,429	118,628	108,597
Operating expenses:				
Selling, operating and administrative expenses	22,105	20,614	70,088	63,828
Depreciation and amortization	3,656	2,788	11,088	9,231
(Gain) loss on sale of assets	(3)	(2)	41	(20)
Total operating expenses	25,758	23,400	81,217	73,039
Operating income	14,554	15,029	37,411	35,558
Other expenses, net:				
Interest expense	(5,128)	(2,913)	(12,053)	(8,774)
Interest income	82	78	224	207
Foreign currency translation gains (losses), net	281	394	(135)	358
Loss on early extinguishment of debt	(1,664)	—	(1,798)	(136)
Equity in earnings of investees	274	398	736	712
Total other expenses, net	(6,155)	(2,043)	(13,026)	(7,633)
Income before provision for income taxes	8,399	12,986	24,385	27,925
Provision for income taxes	(702)	(636)	(1,733)	(1,740)
Net income	$ 7,697	$ 12,350	$ 22,652	$ 26,185
Adjusted EBITDA(1)	$ 22,075	$ 19,485	$ 58,775	$ 48,890

(1) See "—Non-GAAP Financial Measures" for further discussion of Adjusted EBITDA and a reconciliation of the differences between Adjusted EBITDA and net income.

Comparison of the Three Months Ended September 30, 2013 and 2012

Revenue

	Three months ended September 30,		Change	
	2013	2012	($)	(%)
	(unaudited) (in thousands, except percentages)			
Revenue:				
Continuing franchise fees	$ 16,093	$ 14,418	$ 1,675	11.6
Annual dues	7,455	7,208	247	3.4
Broker fees	7,204	5,685	1,519	26.7
Franchise sales and other franchise revenue	5,076	6,806	(1,730)	(25.4)
Brokerage revenue	4,484	4,312	172	4.0
Total revenue	$ 40,312	$ 38,429	$ 1,883	4.9

Continuing Franchise Fees

Revenue from continuing franchise fees increased $1.7 million, or 11.6%, from the three months ended September 30, 2012 to the three months ended September 30, 2013. The acquisition and subsequent growth of RE/MAX of Texas, which resulted in agents within an Independent Region being converted to agents within a Company-owned Region, gave us the right to earn 100% of the fixed continuing franchise fee per agent. This resulted in an increase of $1.4 million in continuing franchise fee revenue. This increase was offset partially by a net decrease of $0.3 million in continuing franchise fees for the Australia and New Zealand regions, which were sold during the fourth quarter of 2012 and, as a result, the agents in Australia and New Zealand are no longer agents of a Company-owned Region. Excluding acquisition and divestiture activity, continuing franchise fees earned from Company-owned regions in the U.S. and Canada, where we receive a higher continuing franchise fee per agent, increased $0.5 million due to an increase in agent count, primarily in the U.S.

Annual Dues

Revenue from annual dues increased $0.2 million, or 3.4%, from the three months ended September 30, 2012 to the three months ended September 30, 2013, primarily due to an overall increase in total agent count of 922 agents for the three months ended September 30, 2013 compared to an overall increase in total agent count of 416 agents for the three months ended September 30, 2012.

Broker Fees

Revenue from broker fees increased $1.5 million, or 26.7%, from the three months ended September 30, 2012 to the three months ended September 30, 2013, principally due to additional broker fees of $0.8 million that resulted from the acquisition of certain assets of RE/MAX of Texas, which converted agents from an Independent Region to a Company-owned Region resulting in a higher portion of broker fees for these agents being retained by us. These increases were partially offset by a net decrease in broker fees of $0.6 million in Australia and New Zealand as these regions were sold during the fourth quarter of 2012 resulting in agents in those regions no longer being agents of a Company-owned Region. Excluding acquisition and divestiture activity, revenue from broker fees earned from Company-owned Regions in the U.S. and Canada increased $1.1 million from the three months ended September 30, 2012 to the three months ended September 30, 2013, while revenue from broker fees earned from Independent Regions in the U.S. increased $0.3 million from the three months ended September 30, 2012 to the three months ended September 30, 2013. The increase in broker fee revenue for our Company-owned and Independent Regions in the U.S. and Canada was due to the overall increase in home sale transaction volume, which increased commissions earned by our U.S. and Canadian agents as well as increased agent count.

Franchise Sales and Other Franchise Revenue

Franchise sales and other franchise revenue decreased $1.7 million, or 25.4%, from the three months ended September 30, 2012 to the three months ended September 30, 2013. $1.6 million of the decrease was related to a decrease in franchise sales revenue due primarily to the 2012 sale of master franchise rights in China/Hong Kong/Macau for $2.1 million, partially offset by smaller master franchise sales during the three months ended September 30, 2013.

Brokerage Revenue

Brokerage revenue, which principally represents fees assessed by our owned brokerages for services provided to their affiliated real estate agents, increased $0.2 million, or 4.0%, from the three months ended September 30, 2012 to the three months ended September 30, 2013 as a result of higher gross sales and transaction volume.

Operating Expenses

A summary of the components of our operating expenses for the three months ended September 30, 2013 and 2012 is as follows:

	Three months ended September 30,		Change	
	2013	2012	($)	(%)
	(unaudited) (in thousands, except percentages)			
Operating expenses:				
Selling, operating and administrative expenses	$ 22,105	$ 20,614	$ 1,491	7.2
Depreciation and amortization	3,656	2,788	868	31.1
Loss on sale of assets, net	(3)	(2)	(1)	50.0
Total operating expenses	$ 25,758	$ 23,400	$ 2,358	10.1
Percent of revenue	63.9	60.9		

Selling, Operating and Administrative Expenses

Selling, operating and administrative expenses increased $1.5 million, or 7.2%, from the three months ended September 30, 2012 to the three months ended September 30, 2013.

- Personnel costs decreased $0.5 million from $11.0 million for the three months ended September 30, 2012 to $10.5 million for the three months ended September 30, 2013. The decrease in personnel costs was primarily driven by the divestiture of the Australia and New Zealand regions which reduced personnel costs by $0.4 million and $0.2 million associated with a net decrease in personnel costs related due to a decrease in employee severance expense during the three months ended September 30, 2012 offset by an increase in salaries and wages paid to our employees and additional personnel costs associated with the acquisition of RE/MAX of Texas.
- Professional fees in creased $2.2 million from $1.3 million for the three months ended September 30, 2012 to $3.5 million for the three months ended September 30, 2013 due primarily to the expenses incurred in connection with the IPO and related reorganization transactions .
- Rent expense increased $0.2 million from $2.6 million for the three months ended September 30, 2012 to $2.8 million for the three months ended September 30, 2013, due to increased rent expense incurred at our company-owned brokerage offices.
- Other sell ing, operating and administrative expenses decreased $0.4 million from $5.7 million for the three months ended September 30, 2012 to $5.3 million for the three months ended September 30, 2013. This decrease was primarily driven by a decrease of $0.3 million in advertising and production costs related to reduced executive and other corporate sponsorships.

Depreciation and Amortization

Depreciation and amortization expense increased $0.9 million, or 31.1%, from the three months ended September 30, 2012 to the three months ended September 30, 2013 as a result of $0.9 million of additional amortization expense related to intangible assets acquired from RE/MAX of Texas.

Other Expenses, Net

A summary of the components of our other expenses, net for the three months ended September 30, 2013 and 2012 is as follows:

	Three months ended September 30,		Change	
	2013	2012	($)	(%)
	(unaudited) (in thousands, except percentages)			
Other expenses, net:				
Interest expense	$ (5,128)	$ (2,913)	$ (2,215)	76.0
Interest income	82	78	4	5.1
Foreign currency transaction gains (losses), net	281	394	(113)	(28.7)
Loss on early extinguishment of debt	(1,664)	—	(1,664)	*
Equity in earnings of investees	274	398	(124)	(31.2)
Total other expenses, net	$ (6,155)	$ (2,043)	$ (4,112)	201.3
Percent of revenue	(15.3)	(5.3)		

* Calculation not meaningful

Other expenses, net increased $4.1 million, or 201.3%, from the three months ended September 30, 2012 to the three months ended September 30, 2013 primarily due to an increase in the loss on early extinguishment of debt of approximately $1.7 million associated with executing our new Senior Secured Credit Facility on July 31, 2013 (See "—Liquidity and Capital Resources—Senior Secured Credit Facility"). Additionally, interest expense increased $2.2 million due to a combination of additional interest expense on the incremental $45.0 million of long-term debt borrowed on December 31, 2012 to finance the acquisition of certain assets of RE/MAX of Texas under the terms of our previous senior secured credit facility, as well as $1.9 million of interest expense incurred during the three months ended September 30, 2013 associated with costs incurred upon entering into our new Senior Secured Credit Facility.

Provision for Income Taxes

RMCO is classified as a partnership for U.S. federal income tax purposes and thus, as of September 30, 2013, was treated as a "flow through entity." As such the provision for income taxes consists of income taxes on the net taxable earnings of RMCO's consolidated foreign subsidiaries. Income tax expense for each of the three months ended September 30, 2013 and 2012 was $0.7 million and $0.6 million, respectively. RE/MAX Holdings, Inc. is organized as a corporation for tax purposes that prospectively will be generally subject to direct U.S. federal, corporate income tax and certain state corporate income tax obligations.

Adjusted EBITDA

Adjusted EBITDA and Adjusted EBITDA margins were $22.1 million and 54.8%, and $19.5 million and 50.7%, for the three months ended September 30, 2013 and 2012, respectively. The increase in Adjusted EBITDA of $2.6 million, or 13.3%, was principally the result of an increase in total revenue of $1.9 million arising from the acquisition of RE/MAX of Texas, agent growth and higher broker fees, offset by a decrease in franchise sales and other franchise revenue due to the sale of the master franchise agreement in China being sold during the three months ended September 30, 2012. Operating expenses adjusted for certain non-cash items such as amortization expense and other infrequent cash charges, including professional fee expenses incurred in preparation for the IPO , decreased due to lower personnel costs of $0.5 million and a decrease of $0.4 million in other selling, operating and administrative expense due primarily to lower executive and corporate sponsorships.

Comparison of the Nine Months Ended September 30, 2013 and 2012

Revenue

	Nine months ended September 30,		Change	
	2013	2012	($)	(%)
	(unaudited) (in thousands, except percentages)			
Revenue:				
Continuing franchise fees	$ 47,037	$ 42,293	$ 4,744	11.2
Annual dues	22,052	21,376	676	3.2
Broker fees	18,704	14,801	3,903	26.4
Franchise sales and other franchise revenue	17,823	17,806	17	0.1
Brokerage revenue	13,012	12,321	691	5.6
Total revenue	$ 118,628	$ 108,597	$ 10,031	9.2

Continuing Franchise Fees

Revenue from continuing franchise fees increased $4.7 million, or 11.2%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013. The acquisition and subsequent growth of RE/MAX of Texas, which resulted in agents within an Independent Region being converted to agents within a Company-owned Region, gave us the right to earn 100% of the fixed continuing franchise fee per agent. This resulted in an increase of $4.0 million in continuing franchise fee revenue. This increase was offset partially by a net decrease of $1.1 million in continuing franchise fees for the Australia and New Zealand regions, which were sold during the fourth quarter of 2012 and, as a result, the agents in Australia and New Zealand are no longer agents of a Company-owned Region. Excluding acquisition and divestiture activity, continuing franchise fees earned from Company-owned regions in the U.S. and Canada, where we receive a higher continuing franchise fee per agent, increased $1.5 million due to an increase in agent count, primarily in the U.S.

Annual Dues

Revenue from annual dues increased $0.7 million, or 3.2%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013, primarily due to an overall increase in total agent count of 3,723 for the nine months ended September 30, 2013, of which 2,576 were located in the U.S. and Canada as compared to an overall increase in total agent count of 1,427 agents for the nine months ended September 30, 2012, of which 1,069 were located in the U.S. and Canada. U.S. and Canadian agents pay us directly annual dues fees of US$390 and C$390, respectively.

Broker Fees

Revenue from broker fees increased $3.9 million, or 26.4%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013, principally due to additional broker fees of $2.3 million that resulted from the acquisition of certain assets of RE/MAX of Texas, which converted agents from an Independent Region to a Company-owned Region resulting in a higher portion of broker fees for these agents being retained by us. These increases were partially offset by a net decrease in broker fees of $1.6 million in Australia and New Zealand as these regions were sold during the fourth quarter of 2012, resulting in agents in those regions no longer being agents of a Company-owned Region. Excluding acquisition and divestiture activity, revenue from broker fees earned from Company-owned Regions in the U.S. and Canada increased $2.6 million during the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012, while revenue from broker fees earned from Independent Regions in the U.S. increased $0.7 million during the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012. The increase in broker fee revenue for our Company-owned and Independent Regions for the U.S. and Canada was due to the overall increase in home sale transaction volume, which increased commissions earned by our U.S. and Canadian agents as well as increased agent count.

Franchise Sales and Other Franchise Revenue

Franchise sales and other franchise revenue remained relatively constant during the nine months ended September 30, 2012 compared to the nine months ended September 30, 2013 at $17.8 million. During the nine months ended September 30, 2013, franchise sales revenue decreased $1.1 million primarily to the sale of master franchise rights in China/Hong Kong/Macau for $2.1 million that occurred in 2012, which was offset partially by smaller master franchise sales during 2013. During the nine months ended September 30, 2013, other franchise revenue increased $1.1 million primarily due to an increase in registration revenue associated with the annual convention which occurred during the first quarter of 2013.

Brokerage Revenue

Brokerage revenue, which principally represents fees assessed by our owned brokerages for services provided to their affiliated real estate agents, increased $0.7 million, or 5.6%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013 as a result of higher gross sales and transaction volume.

Operating Expenses

A summary of the components of our operating expenses for the nine months ended September 30, 2013 and 2012 is as follows:

	Nine months ended September 30,		Change	
	2013	2012	($)	(%)
	(unaudited) (in thousands, except percentages)			
Operating expenses:				
Selling, operating and administrative expenses	$ 70,088	$ 63,828	6,260	9.8
Depreciation and amortization	11,088	9,231	1,857	20.1
Loss on sale of assets, net	41	(20)	61	305.0
Total operating expenses	$ 81,217	73,039	8,178	11.2
Percent of revenue	68.5	67.3		

Selling, Operating and Administrative Expenses

Selling, operating and administrative expenses increased $6.3 million, or 9.8%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013.

- Personnel costs increased $0. 6 million from $31.4 million for the nine months ended September 30, 2012 to $32.0 million for nine months ended September 30, 2013. The increase in personnel costs w as primarily due to the acquisition of RE/MAX of Texas which increased personnel costs by $0.8 million, $1.0 million of additional stock-based compensation expense and increased contributions to our employees' defined contribution plan, partially offset by $1.2 million in reduced expenses in 2013, resulting from the divestiture of the Australia and New Zealand regions.
- Professional fees increased $5.4 million from $4.2 million for the nine months ended September 30, 2012 to $9.6 million for the nine months ended September 30, 2013 due primarily to the expenses of $5.9 million incurred in connection with the IPO , offset by a reduction in professional fees incurred by the Australia and New Zealand regions which were sold during the fourth quarter of 2012.
- Rent expense decreased $0.2 million from $9.0 million for the nine months ended September 30, 2012 to $8.8 million for the nine months ended September 30, 2013 due to higher sublease income partially offset by higher rent expense at some of our company-owned brokerage offices.
- Other selling, operating and administrative expenses, increased $0.3 million from $19.2 mill ion for the nine months ended September 30, 2012 to $19.5 million for the nine months ended September 30, 2013. This increase is primarily driven by an increase in printing and marketing expense of $0.2 million driven by timing of events held by our regions and marketing publications.

Depreciation and Amortization

Depreciation and amortization expense increased $1.9 million, or 20.1%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013 as a result of the following:

- an increase of $2.7 million of additional amortization expense related to intangible assets acquired from RE/MAX of Texas;
- a net decrease of $0.4 million related to certain intangible assets that became fully amortized; and
- a decrease in depreciatio n expense of $0.4 million related to assets that became fully depreciated.

Other Expenses, Net

A summary of the components of our other expenses, net for the nine months ended September 30, 2013 and 2012 is as follows:

	Nine months ended September 30,		Change	
	2013	2012	($)	(%)
	(unaudited) (in thousands, except percentages)			
Other expenses, net:				
Interest expense	$ (12,053)	$ (8,774)	$ (3,279)	37.4
Interest income	224	207	17	8.2
Foreign currency transaction gains (losses), net	(135)	358	(493)	(137.7)
Loss on early extinguishment of debt	(1,798)	(136)	(1,662)	*
Equity in earnings of investees	736	712	24	3.4
Total other expenses, net	$ (13,026)	$ (7,633)	$ (5,393)	70.7
Percent of revenue	(11.0)	(7.0)		

* Calculation not meaningful

Other expenses, net increased $5.4 million, or 70.7%, from the nine months ended September 30, 2012 to the nine months ended September 30, 2013 primarily due to an increase in the loss on early extinguishment of debt of approximately $1.7 million associated with executing our new Senior Secured Credit Facility on July 31, 2013. Additionally, interest expense increased $3.3 million due to a combination of additional interest expense on the incremental $45.0 million of long-term debt borrowed on December 31, 2012 to finance the acquisition of certain assets of RE/MAX of Texas under the terms of our previous senior secured credit facility as well as $1.9 million of interest expense associated with costs incurred upon entering into our new Senior Secured Credit Facility. Lastly, foreign currency translation gains (losses), net decreased $0.5 million as a result of depreciation in the value of the U.S. dollar against the Canadian dollar.

Provision for Income Taxes

RMCO is classified as a partnership for U.S. federal income tax purposes and thus, as of September 30, 2013 was treated as a "flow through entity." As such the provision for income taxes consists of income taxes on the net taxable earnings of RMCO' consolidated foreign subsidiaries. Income tax expense for each of the nine months ended September 30, 2013 and 2012 was $1.7 million. RE/MAX Holdings, Inc. is organized as a corporation for tax purposes that prospectively will be generally subject to direct U.S. federal, corporate income tax and certain state corporate income tax obligations.

Adjusted EBITDA

Adjusted EBITDA and Adjusted EBITDA margins were $58.8 million and 49.5%, and $48.9 million and 45.0% for the nine months ended September 30, 2013 and 2012, respectively. The increase in Adjusted EBITDA of $9.9 million, or 20.2%, was principally the result of an increase in total revenue of $10.0 million arising from the acquisition of RE/MAX of Texas, agent growth and higher broker fees. Operating expenses adjusted for certain non-cash items such as amortization expense and equity- based compensation expense and other infrequent cash charges, including professional fee expenses incurred in preparation for the IPO , decreased $0.5 million. These decreases were offset by a $0.5 million increase in foreign currency transaction losses during the nine months ended September 30, 2013.

Non-GAAP Financial Measures

The SEC has adopted rules to regulate the use in filings with the SEC and in public disclosures of non-U.S. generally accepted accounting principles ("GAAP") financial measures, such as Adjusted EBITDA and the ratios related thereto. These measures are derived on the basis of methodologies other than in accordance with GAAP.

We define Adjusted EBITDA as EBITDA (consolidated net income (loss) before depreciation and amortization, interest expense, net and income taxes, each of which is presented in our unaudited condensed consolidated financial statements included elsewhere in this Form 10-Q), adjusted for the impact of the following items that we do not consider representative of our ongoing operating performance: (gain) loss on sale of assets and sublease, (gain) loss on extinguishment of debt, equity based compensation, deferred rent adjustments, salaries paid to David and Gail Liniger that we will not continue to pay subsequent to the IPO, expenses incurred in connection with the IPO and acquisition transaction costs.

Because Adjusted EBITDA omits certain non-cash items and other infrequent cash charges, we believe that it is less susceptible to variances in actual performance resulting from depreciation, amortization and other non-cash charges and other infrequent cash charges and is more reflective of other factors that affect our operating performance. We present Adjusted EBITDA because we believe it is useful as a supplemental measure in evaluating the performance of our operating businesses and provides greater transparency into our results of operations. Our management uses Adjusted EBITDA as a factor in evaluating the performance of our business.

Adjusted EBITDA should not be considered in isolation or as a substitute for net income or other statement of operations data prepared in accordance with GAAP. Adjusted EBITDA has limitations as an analytical tool, and you should not consider Adjusted EBITDA either in isolation or as a substitute for analyzing our results as reported under GAAP. Some of these limitations are:

- this measure does not reflect changes in, or cash requirement for, our working capital needs;
- this measure does not reflect our interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- this measure does not reflect our income tax expense or the cash requirements to pay our taxes;
- this measure does not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often require replacement in the future, and these measures do not reflect any cash requirements for such replacements; and
- other companies may calculate this measure differently so they may not be comparable.

A reconciliation of Adjusted EBITDA to net income attributable to controlling interests for our consolidated results and reportable segments for the three and nine months ended September 30, 2013 and 2012 is set forth in the following table:

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
	(unaudited) (in thousands)			
Consolidated:				
Net income	$ 7,697	$ 12,350	$ 22,652	$ 26,185
Depreciation and amortization	3,656	2,788	11,088	9,231
Interest expense	5,128	2,913	12,053	8,774
Interest income	(82)	(78)	(224)	(207)
Provision for income taxes	702	636	1,733	1,740
EBITDA	17,101	18,609	47,302	45,723
Gain on sale of assets and sublease(1)	(164)	(144)	(411)	(442)
Loss on early extinguishment of debt(2)	1,664	—	1,798	136
Equity-based compensation(3)	—	—	701	—
Non-cash straight-line rent expense(4)	261	270	970	1,223
Chairman executive compensation(5)	750	750	2,250	2,250
Acquisition integration costs(6)	27	—	249	—
IPO expenses(7)	2,436	—	5,916	—
Adjusted EBITDA	$ 22,075	$ 19,485	$ 58,775	$ 48,890
Real Estate Franchise Services:				
Net income	$ 7,072	$ 11,575	$ 22,246	$ 26,471
Depreciation and amortization	3,571	2,667	10,792	8,835
Interest expense	5,128	2,911	12,050	8,768
Interest income	(82)	(78)	(224)	(207)
Provision for income taxes	702	636	1,733	1,740
EBITDA	16,391	17,711	46,597	45,607
Gain on sale of assets and sublease(1)	(94)	(210)	(266)	(359)
Loss on early extinguishment of debt(2)	1,664	—	1,798	136
Equity-based compensation(3)	—	—	701	—
Non-cash straight-line rent expense (4)	321	338	1,031	1,079
Chairman executive compensation(5)	750	750	2,250	2,250
Acquisition integration costs(6)	27	—	249	—
IPO expenses(7)	2,436	—	5,916	—
Adjusted EBITDA	$ 21,495	$ 18,589	$ 58,276	$ 48,713
Brokerage and Other:				
Net income (loss)	$ 625	$ 775	$ 406	$ (286)
Depreciation and amortization	85	121	296	396
Interest expense	—	2	3	6
Interest income	—	—	—	—
Provision for income taxes	—	—	—	—
EBITDA	710	898	705	116
(Gain) loss on sale of assets and sublease(1)	(70)	66	(145)	(83)
Non-cash straight-line rent expense (4)	(60)	(68)	(61)	144
Adjusted EBITDA	$ 580	$ 896	$ 499	$ 177

(1) Represents (gains) and losses on the sale of assets as well as the loss on the sublease of our corporate headquarters office building.

(2) Represents losses incurred on early extinguishment of debt related to the entire repayment of our pre-existing debt facility during the three months ended September 30, 2013 and losses incurred on the early extinguishment of debt on our previous senior secured credit facility during the nine months ended September 30, 2013 and 2012.

(3) Equity-based compensation includes non-cash compensation expense recorded related to unit options granted to employees pursuant to our 2011 Unit Option Plan. See Note 7 to RMCO's unaudited condensed consolidated financial statements.

(4) Represents the non-cash charge to appropriately record rent expense on a straight-line basis over the term of the lease agreement taking into consideration escalation in monthly cash payments.

(5) Represents the elimination of annual salaries we paid to David Liniger, our Chairman and Co-Founder, and Gail Liniger, our Vice Chairman and Co-Founder, that we will not continue to pay following the consummation of the IPO.

(6) Acquisition integration costs include fees incurred in connection with our acquisition of certain assets of RE/MAX of Texas in December 2012, and our acquisitions of HBN and Tails in connection with the IPO including legal, accounting and advisory fees as well as consulting fees for integration services.

(7) Represents expenses incurred in connection with the IPO.

Liquidity and Capital Resources

General Overview

Our liquidity position has been positively affected by the growth of our agent base and improving conditions in the real estate market, which have contributed to increasing annual operating cash flows. In this regard, our short-term liquidity position from time to time has been, and will continue to be, affected by the number of agents in the RE/MAX network. Our liquidity position has been negatively affected by the principal payments and related interest expense on our Senior Secured Credit Facility.

We experienced an increase in the number of our agents during the three and nine months ended September 30, 2013 compared to the comparable periods of the prior year. However, we cannot be certain agent growth will continue. Moreover, if the real estate market or the economy as a whole deteriorates, we may experience adverse effects on our business, financial condition and liquidity, including our ability to access capital and grow our business.

Our primary liquidity needs historically have been to service our debt, finance our working capital, and finance acquisition activity. We have historically satisfied these needs with cash flows from operations and funds available under our Senior Secured Credit Facility.

We will continue to evaluate potential financing transactions, including refinancing our Senior Secured Credit Facility and extending maturities. There can be no assurance that financing or refinancing will be available to us on acceptable terms or at all. Future indebtedness may impose various additional restrictions and covenants on us which could limit our ability to respond to market conditions, to make capital investments or to take advantage of business opportunities. Our ability to make payments to fund debt service and strategic acquisitions will depend on our ability to generate cash in the future, which is subject to general economic, financial, competitive and other factors that are beyond our control.

Cash Flows

Cash and cash equivalents increased $5.0 million from $68.5 million as of December 31, 2012 to $73.5 million as of September 30, 2013. The following table summarizes our cash flows for the nine months ended September 30, 2013 and 2012:

	Nine Months Ended September 30,		
	2013	2012 (unaudited)	Change
		(in thousands)	
Cash provided by (used in):			
Operating activities	$ 36,890	$ 37,063	$ (173)
Investing activities	(842)	(1,587)	745
Financing activities	(31,095)	(17,509)	(13,586)
Effect of exchange rate changes on cash	28	85	(57)
Net change in cash and cash equivalents	$ 4,981	$ 18,052	$ (13,071)

Cash provided by operating activities decreased $0.2 million from the nine months ended September 30, 2012 to the nine months ended September 30, 2013. The decrease in cash provided by operating activities is primarily attributable to a decrease in net income of $3.5 million offset by an increase in non-cash adjustments to net income of $4.5 million. The increase in non-cash adjustments is related to increased amortization expense from the acquisition of RE/MAX of Texas of $1.9 million, the loss on extinguishment of debt of $1.8 million and equity-based compensation of $0.7 million. The net impact of the change in net income after taking into effect the non-cash adjustments was an increase of $1.0 million. This increase was attributable to an increase in revenue partially offset by a decrease in cash provided due to higher cash payments for interest. This net increase was offset by a decrease in working

capital of $1.2 million primarily driven by a decrease in deferred revenue resulting from higher registration fees received and deferred in 2012 for our 2013 annual convention as compared to registration fees received and deferred in 2011.

Cash used in investing activities decreased $0.7 million from the nine months ended September 30, 2012 to the nine months ended September 30, 2013 due to a decrease in the purchase of property, equipment and software due to a reduction in acquired software during the nine months ended September 30, 2013, offset partially by an increase in leasehold improvements during that period.

Cash used in financing activities increased $13.6 million from the nine months ended September 30, 2012 to the nine months ended September 30, 2013 due primarily to an $11.2 million increase in distributions paid to our members pursuant to the terms of the Third Amended and Restated RMCO, LLC agreement (the "Third LLC Agreement"). The increase in member distributions is primarily the result of an increase in taxable income in 2012 compared to 2011, which is the basis for determining the amount of distributions paid to our members. In this regard, distributions made during the nine months ended September 30, 2013 and 2012 were $20.7 million and $9.5 million, respectively. Cash used in financing activities also increased as a result of a $4.8 million increase in capitalized costs incurred in connection with the IPO offset by $3.7 million of additional net debt payments made during the nine months ended September 30, 2012.

During the fourth quarter of 2013, we made tax distributions totaling $6.7 million to Weston Presidio and RIHI pursuant to the terms of the Third LLC Agreement to cover tax liabilities associated with their share of RMCO's taxable income from January 1, 2013 to October 7, 2013.

Senior Secured Credit Facility

In July 2013, RE/MAX, LLC entered into a credit agreement with JPMorgan Chase Bank, N.A., as administrative agent, and various lenders party thereto. Under the Senior Secured Credit Facility, RE/MAX, LLC has a revolving line of credit available of up to $10.0 million. On the closing date of the Senior Secured Credit Facility, RE/MAX, LLC borrowed $230.0 million of term loans thereunder. The proceeds provided by these term loans were used to refinance and repay existing indebtedness and for working capital, capital expenditures, acquisitions and general corporate purposes.

Term loans are repaid in quarterly installments of $575,000, with the balance of the term loan due at maturity. The maturity date of all of the term loans under the Senior Secured Credit Facility is July 31, 2020. Term loans may be optionally prepaid by RMCO's wholly owned subsidiary, RE/MAX, LLC, at any time. All amounts outstanding under the revolving line of credit must be repaid on July 31, 2018.

The Senior Secured Credit Facility requires RE/MAX, LLC to repay term loans and reduce revolving commitments with (i) 100% of proceeds of any incurrence of additional debt not permitted by the Senior Secured Credit Facility, (ii) 100% of proceeds of asset sales and 100% of amounts recovered under insurance policies, subject to certain exceptions and a reinvestment right, and (iii) 50% of excess cash flow at the end of the applicable fiscal year, with such percentage decreasing as RE/MAX, LLC's leverage ratio decreases.

The Senior Secured Credit Facility is guaranteed by RMCO and RE/MAX of Western Canada (1998), LLC, a subsidiary of RE/MAX, LLC, and is secured by a lien on substantially all of the assets of RMCO, RE/MAX, LLC and each guarantor.

Borrowings under the term loans and revolving loans accrue interest, at our option on (a) adjusted LIBOR, provided that LIBOR shall be no less than 1% plus a maximum applicable margin of 3% or (b) alternative base rate ("ABR"), provided that ABR shall be no less than 2%, which is equal to the greater of (1) JPMorgan Chase Bank, N.A.'s prime rate; (2) the Federal Funds Effective Rate plus 0.5% or (3) calculated Eurodollar Rate plus 1.0%, plus a maximum applicable margin of 2%. A commitment fee of 0.50% per annum accrues on the amount of unutilized revolving line of credit.

The Senior Secured Credit Facility provides for customary restrictions on, among other things, additional indebtedness, liens, dispositions of property, dividends, transactions with affiliates and fundamental changes such as mergers, consolidations and liquidations. We do not anticipate that the restriction on the payment of dividends will prevent us from being able to pay regular dividends with respect to our Class A common stock at rates we establish from time to time. With certain exceptions, any default under any of our other agreements evidencing indebtedness in the amount of $10.0 million or more constitutes an event of default under the Senior Secured Credit Facility.

The Senior Secured Credit Facility restricts the aggregate acquisition consideration for permitted acquisitions to $50.0 million in any fiscal year. Any unused amounts may be carried over to the subsequent year to be used towards additional expenditures for permitted acquisitions, with an aggregate cap of $100.0 million in any fiscal year. Aggregate outstanding indebtedness consisting of (i) the deferred purchase price of permitted acquisitions may not exceed $15.0 million at any time and (ii) earn-outs arising out of permitted acquisitions may not exceed $15.0 million at any time.

At any time revolving loans are outstanding, the Senior Secured Credit Facility requires compliance with a leverage ratio and an interest coverage ratio. As of September 30, 2013, we had no revolving loans outstanding.

As of September 30, 2013, we had $229.0 million of term loans outstanding, net of an unamortized discount, and no revolving loans outstanding under our Senior Secured Credit Facility.

Contractual Obligations

The following table summarizes our contractual obligations as of September 30, 2013 and the effect such obligations are expected to have on our liquidity and cash flows in future periods:

	Payments due by Period						
	Total	Remaining 2013	2014	2015	2016	2017	Thereafter
				(unaudited) (in thousands)			
Long-term debt (including current portion)(1)(2)	$ 229,425	$ 575	$ 17,300	$ 2,300	$ 2,300	$ 2,300	$ 204,650
Interest payments on debt facilities(3)	59,926	2,403	9,092	8,855	8,775	8,696	22,105
Lease obligations(4)	134,129	2,762	10,305	10,499	9,628	8,935	92,000
Member tax distributions(5)	6,650	6,650	—	—	—	—	—
Total	$ 430,130	$ 12,390	$ 36,697	$ 21,654	$ 20,703	$ 19,931	$ 318,755

(1) We are required to make quarterly principal payments on our Senior Secured Credit Facility of $0.6 million through July 2020. We have reflected full payment of long-term debt at maturity of our Senior Secured Credit Facility in 2020.

(2) Final payment amount in 2020 of $198.9 million will be reduced by any excess cash flow principal payments and optional prepayments made subsequent to 2014. For purposes of this table, we have included the 2014 estimated excess cash fl ow payment of $15.0 million. We did not include the excess cash flow payment for 2015 and thereafter as these amounts are conditioned on achieving future financial figures that are not determinable at this time.

(3) The interest payments in the above tabl e are determined assuming that principal payments on the debt are made on their scheduled dates and on the applicable maturity dates. The variable interest rate on the Senior Secured Credit Facility is assumed at the current interest rate of 4.2%.

(4) We are obligated under non-cancelable leases for offices and equipment. Future payments under these leases and commitments, net of payments to be received under sublease agreements of $1.1 million in the aggregate, are included in the table above.

(5) We are obligated under the Third LLC Agreement to make tax distributions totaling $6.7 million to Weston Presidio and RIHI in connection with the completion of the IPO.

As described in elsewhere in this Quarterly Report on Form 10-Q, we entered into separate tax receivable agreements with Weston Presidio and RIHI (collectively, the “Historical Owners”), that will provide for the payment by RE/MAX Holdings, Inc. to the Historical Owners of RMCO of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that RE/MAX Holdings, Inc. actually realizes, or in some circumstances is deemed to realize, as a result of an expected increase in its share of tax basis in RMCO’s tangible and intangible assets, including increases attributable to payments made under the tax receivable agreements, and deductions attributable to imputed and actual interest that accrues in respect of such payments. These payment obligations are our obligations and not RMCO’s. Assuming no material changes in the relevant tax law, and that we earn sufficient taxable income to realize all tax benefits that are subject to the tax receivable agreement, we expect that future payments under the tax receivable agreements related to the IPO to aggregate $53.5 million over the next 15 years

Off Balance Sheet Arrangements

Other than the guarantee of a performance agreement and a line of credit agreement disclosed in Note 9 of our unaudited consolidated financial statements, we have no material off balance sheet arrangements as of September 30, 2013.

Critical Accounting Policies, Judgments and Estimates

We prepare our condensed consolidated financial statements in accordance with generally accepted accounting principles in the United States. The preparation of condensed consolidated financial statements also requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses and related disclosures. We base our estimates on

historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe the estimates, assumptions and judgments involved in revenue recognition, allowances for accounts and notes receivable, goodwill, franchise agreements and other intangible assets, and stock-based compensation, have the greatest potential impact on our consolidated financial statements, and consider these to be our critical accounting policies and estimates.

There have been no material changes to our critical accounting policies, judgments and estimates as compared to the critical accounting policies, judgments and estimates described in our prospectus dated October 1, 2013, filed with the SEC on October 3, 2013 pursuant to Rule 424(b)(4) under the Securities Act.

Item 3. Quantitative and Qualitative Disclosures about Market Risks

We have operations both within the United States and internationally, and we are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate, foreign exchange and inflation risks, as well as risks relating to changes in the general economic conditions in the countries where we conduct business. To reduce certain of these risks, we monitor the financial condition of our large franchisees. In addition, our investment strategy has been to invest in financial instruments that are highly liquid, readily convertible into cash and mature within three months from the date of purchase. We do not use derivative instruments to mitigate the impact of our market risk exposures. We have also not used, nor do we intend to use, derivatives for trading or speculative purposes. We are exposed to financial market risks, primarily changes in interest rates.

Interest Rate Risk

We are subject to interest rate risk in connection with borrowings under our Senior Secured Credit Facility which bear interest at variable rates. At September 30, 2013, $229.0 million in term loans were outstanding under our Senior Secured Credit Facility net of an unamortized discount. As of September 30, 2013, the undrawn borrowing availability under the revolving line of credit under our Senior Secured Credit Facility was $10.0 million. The interest rate on our Senior Secured Credit Facility entered into in July 2013 is currently subject to a LIBOR rate floor of 1%, plus an applicable margin. If LIBOR rates rise above the floor, then each hypothetical 1/8% increase would result in additional annual interest expense of $0.3 million.

Currency Risk

We have a network of international franchisees in Canada and over 90 other countries. Fees imposed on franchisees and agents in foreign countries are charged in the local currency. Fluctuations in exchange rates of the U.S. dollar against foreign currencies can result, and have resulted, in foreign exchange transaction gains and losses. We had foreign currency translation gains and (losses) of approximately $0.3 million and $0.4 million for the three months ended September 30, 2013 and 2012, respectively and $(0.1) million and $0.4 million for the nine months ended September 30, 2013 and 2012, respectively. If exchange rates on currencies in foreign jurisdictions where we conduct business were to fluctuate 10%, we believe that our consolidated financial position, results of operations and cash flows would not be materially affected.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Our management, with the participation of our principal executive officers and our principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2013. Based on the evaluation of our disclosure controls and procedures as of September 30, 2013, our principal executive officers and principal financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – O THER INFORMATION

Item 1. Legal Proceedings

From time to time we are involved in litigation, claims and other proceedings relating to the conduct of our business. Litigation and other disputes are inherently unpredictable and subject to substantial uncertainties and unfavorable resolutions could occur. We do not believe we have any currently pending litigation of which the outcome will have a material adverse effect on our business, financial condition or operations; however, litigation and other claims and regulatory proceedings against us could result in unexpected expenses and liability and could also materially adversely affect our operations and our reputation.

Item 1a. Risk Factors

For a detailed description of the risks that could materially affect our business, financial condition, prospects, operating results or cash flows, please refer to the section entitled "Risk Factors" in our final prospectus filed with the SEC on October 3, 2013. There have been no material changes to the risks listed in the final prospectus.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Use of Proceeds from Initial Public Offering of Class A Common Stock

On October 1, 2013, our Registration Statement on Form S-1, as amended (File No. 333-190699), was declared effective, pursuant to which, on October 7, 2013, we issued and sold 11,500,000 shares of our Class A common stock, at a price to the public of $22.00 per share for an aggregate offering price of $253.0 million. Morgan Stanley & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, William Blair & Company, L.L.C, RBC Capital Markets, LLC and JMP Securities LLC acted as the underwriters.

As a result of the initial public offering, we raised approximately $224.9 million in net proceeds after deducting the underwriting discounts and commissions of approximately $17.1 million and $11.0 million in offering expenses. On October 7, 2013, we paid approximately $27.3 million to reacquire regional RE/MAX franchise rights in the Southwest and Central Atlantic regions of the U.S. through our acquisition of the business assets of HBN, Inc. ("HBN") and Tails, Inc. ("Tails").

Following our acquisition of the business assets of HBN and Tails, we contributed such assets to RMCO, LLC ("RMCO"), in exchange for a number of newly issued common units of RMCO valued at approximately $27.3 million, at a price per common unit equal to the public offering price per share of our Class A common stock, less underwriting discounts.

We used approximately $208.6 million to purchase newly issued common units from RMCO at a price per common unit equal to the public offering price per share of our Class A common stock, less underwriting discounts. Of the $208.6 million in proceeds received by RMCO from us, $11.0 million has been or will be used to pay estimated offering expenses. The remaining $197.6 million RMCO received from us was used as follows: (i) RMCO used approximately $49.9 million first to redeem all of the outstanding preferred membership units in RMCO held by Weston Presidio V, L.P. ("Weston Presidio") and (ii) following RMCO's redemption of all of the outstanding preferred membership units in RMCO from Weston Presidio, RMCO used approximately $147.8 million to redeem common units of RMCO from Weston Presidio and RIHI, Inc. ("RIHI") at a price per common unit equal to the public offering price per share of our Class A common stock, less underwriting discounts. The price per common unit of RMCO paid by RMCO to Weston Presidion and RIHI was equal to the public offering price per share of our Class A common stock, less underwriting discounts.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

Exhibit No.	Exhibit Description	Form	File Number	Date of First Filing	Exhibit Number	Filed Herewith
2.1	Asset Purchase Agreement, dated as of December 31, 2012, by and among RE/MAX/KEMCO Partnership, L.P., d/b/a RE/MAX of Texas, RE/MAX, LLC and Richard Filip, Charles El-Moussa, Brian Parker and Philip Leung. (Exhibits and schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant hereby undertakes to furnish supplemental copies of any omitted exhibits and schedules upon request by the SEC.)	S-1	333-190699	9/19/2013	2.1	
3.1	Amended and Restated Certificate of Incorporation	—	—	—	—	X
3.2	Bylaws of RE/MAX Holdings, Inc.	—	—	—	—	X
10.1	2013 Omnibus Incentive Plan and related documents.	S-8	333-191519	10/1/2013	4.2	
10.2	Credit Agreement, dated as of July 31, 2013, among RMCO, LLC, RE/MAX, LLC, the several lenders from time to time parties thereto and JPMorgan Chase Bank, N.A., as administrative agent.	S-1	333-190699	8/19/2013	10.4	
10.3	Lease, dated April 16, 2010, by and between Hub Properties Trust and RE/MAX International, LLC.	S-1	333-190699	8/19/2013	10.4	
10.4	Employment Agreement, dated as of March 1, 2010, by and between RE/MAX International Holdings, Inc., RE/MAX, LLC and Margaret M. Kelly.	S-1	333-190699	9/19/2013	10.6	
10.5	Employment Agreement, dated as of March 1, 2010, by and between RE/MAX International Holdings, Inc., RE/MAX, LLC and David M. Metzger.	S-1	333-190699	9/19/2013	10.7	
10.6	Employment Agreement, dated as of July 1, 2010, by and between RE/MAX International Holdings, Inc., RE/MAX, LLC and Geoffrey Lewis.	S-1	333-190699	9/19/2013	10.8	
10.7	Employment Agreement, dated as of October 1, 2010, by and between RE/MAX International Holdings, Inc., RE/MAX, LLC and Mike Ryan.	S-1	333-190699	9/19/2013	10.9	
10.8	Registration Rights Agreement, dated as of October 1, 2013, by and among RE/MAX Holdings, Inc. and RIHI, Inc.					X
10.9	Management Services Agreement, dated as of October 1, 2013, by and among RMCO, LLC, RE/MAX, LLC and RE/MAX Holdings, Inc.					X
10.10	RMCO, LLC Fourth Amended and Restated Limited Liability Company Agreement.					X
10.11	Tax Receivable Agreement, dated as of October 7, 2013, by and between RIHI, Inc. and RE/MAX Holdings, Inc.					X
10.12	Tax Receivable Agreement, dated as of October 7, 2013, by and between Weston Presidio V, L.P. and RE/MAX Holdings, Inc.					X
10.13	Plan of Reorganization and Purchase Agreement, dated as of August 9, 2013, by and among Buena Suerte Holdings Inc., HBN, Inc. and HBN Holdco, Inc.	S-1	333-190699	9/27/2013	10.19	
10.14	Plan of Reorganization and Purchase Agreement, dated as of August 9, 2013, by and among Buena Suerte Holdings Inc., Tails, Inc. and Tails Holdco, Inc.	S-1	333-190699	9/27/2013	10.20	

Exhibit No.	Exhibit Description	Form	File Number	Date of First Filing	Exhibit Number	Filed Herewith
31.1	Certification of Chairman of the Board and Co-Founder pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.					X
31.2	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.					X
31.3	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.					X
32.1	Certification of Chairman of the Board and Co-Founder, Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RE/MAX Holdings, Inc.
(Registrant)

Date: November 14, 2013

By: / s / Dave L. Liniger

Dave L. Liniger

Chairman and Co-Founder
(Principal Executive Officer)

Date: November 14, 2013

By: / s / Margaret M. Kelly

Margaret M. Kelly

Chief Executive Officer and Director
(Principal Executive Officer)

Date: November 14, 2013

By: / s / David M. Metzger

David M. Metzger

Chief Operating Officer and Chief Financial Officer
(Principal Accounting Officer and
Principal Financial Officer)

Exhibit 3.1

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF RE/MAX HOLDINGS, INC.

RE/MAX Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation") hereby certifies as follows:

1. The name of the Corporation is RE/MAX Holdings, Inc. The original Certificate of Incorporation of the Corporation was filed with the Office of the Secretary of State of the State of Delaware on June 25, 2013. The name under which the Corporation was originally incorporated was Buena Suerte Holdings Inc.

2. An amendment to the Certificate of Incorporation of the Corporation was filed on August 15, 2013.

3. This Restated Certificate of Incorporation of the Corporation was duly adopted by the stockholders of the Corporation in accordance with the provisions of Sections 242, 245 and 228 of the Delaware General Corporation Law.

4. The text of the Certificate of Incorporation of the Corporation, as amended, restated or supplemented heretofore, is further amended and restated to read in full as follows:

ARTICLE 1

The name of the corporation is RE/MAX Holdings, Inc. (the " **Corporation** ").

ARTICLE 2

The address of the Corporation's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, in the City of Wilmington, 19808, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

ARTICLE 3

The nature of the business of the Corporation and the objects or purposes to be transacted, promoted or carried on by it are as follows: To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the " **DGCL** ").

ARTICLE 4

A. The total number of shares of all classes of stock that the Corporation is authorized to issue is 190,001,000, consisting of:

One hundred eighty million (180,000,000) shares of Class A common stock, with a par value of $0.0001 per share (the " **Class A Common Stock** ");

One thousand (1,000) shares of Class B common stock, with a par value of $0.0001 per share, divided into two hundred and fifty (250) shares of Series B Common Stock and seven hundred and fifty (750) shares of Series B-1 Common Stock (the Series B Common Stock together with the Series B-1 Common Stock, " **Class B Common Stock** ," and together with the Class A Common Stock, the " **Common Stock** "); and

Ten million (10,000,000) shares of preferred stock, with a par value of $0.0001 per share (the " **Preferred Stock** ").

B. The Board of Directors of the Corporation (the " **Board of Directors** ") is authorized, subject to any limitations prescribed by law, to provide for the issuance of shares of Preferred Stock in one or more series, and by filing a certificate pursuant to the applicable law of the State of Delaware (such certificate being hereinafter referred to as a " **Preferred Stock Designation** "), to establish from time to time the number of shares to be included in each such series, and to fix the powers, designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including, without limitation, the authority to fix or alter the dividend rights, dividend rates, conversion rights, exchange rights, voting rights, rights and terms of redemption (including sinking and purchase fund provisions), the redemption price or prices, the dissolution preferences and the rights in respect to any distribution of assets of any wholly unissued series of Preferred Stock and the number of shares constituting any such series, and the designation thereof, or any of them and to increase or decrease the number of shares of any series so created, subsequent to the issue of that series but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series. There shall be no limitation or restriction on any variation between any of the different series of Preferred Stock as to the designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof; and the several series of Preferred Stock may vary in any and all respects as fixed and determined by the resolution or resolutions of the Board of Directors or by a committee of the Board of Directors, providing for the issuance of the various series.

C. The number of authorized shares of any of the Class A Common Stock, Class B Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the outstanding shares of stock of the Corporation entitled to vote thereon, without a separate vote of any holders of the Class A Common Stock, Class B Common Stock or Preferred Stock, or of any series thereof, unless a separate vote of any such holders is required pursuant to the terms of any Preferred Stock Designation, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law of the State of Delaware.

D. Except as otherwise required by law,

a. Each holder of Class A Common Stock, as such, shall be entitled to one vote for each share of Class A Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote.

b. Each holder of Class B Common Stock shall be entitled, as such, without regard to the number of shares of Class B Common Stock (or fraction thereof) held by such holder, to an aggregate number of votes that is equal to: (i) in the case of a holder of Series B Common Stock, two (2) votes for each Common Unit (defined below) and (ii) in the case of a holder of Series B-1 Common Stock, one (1) vote for each Common Unit (defined below), in each case held of record by such holder pursuant to the LLC Agreement (defined below) and Article 5 of this Amended and Restated Certificate of Incorporation on all matters on which stockholders are generally entitled to vote. " **Common Unit** " means a unit in RMCO, LLC, a Delaware limited liability company, or any successor entities thereto (the " **LLC** "), authorized and issued under its limited liability company agreement, as such agreement may be amended from time to time (the " **LLC Agreement** ").

c. The voting rights of the holders of Series B Common Stock (or fraction thereof) shall be equal to one (1) vote for each Common Unit held of record by a holder from and after any of the following events: (i) the fifth anniversary of the Initial Public Offering by the Corporation (the " **IPO** "); (ii) the death of Chairman and Founder David L. Liniger; or (iii) at such time as the number of Common Units held by RIHI, Inc., a Delaware corporation, (" **RIHI** ") (as such number may be adjusted to reflect equitably any unit split, subdivision, combination or similar change with respect to the Common Units) is less than thirty percent (30%) of the number of Common Units held by RIHI immediately after the IPO.

d. Except as otherwise required in this Amended and Restated Certificate of Incorporation or by applicable law, the holders of Common Stock shall vote together as a single class on all matters (or, if any holders of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with such holders of Preferred Stock).

E. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Class A Common Stock with respect to the payment of dividends, dividends may be declared and paid on the Class A Common Stock out of the assets of the Corporation that are by law available therefor, at such times and in such amounts as the Board of Directors in its discretion shall determine. Dividends shall not be declared or paid on the Class B Common Stock.

F. Subject to applicable law and the rights, if any, of the holders of any class or series of capital stock of the Corporation, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and of the preferential and other amounts, if any, to which the holders of Preferred Stock shall be entitled, the holders of all outstanding shares of Class A Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution ratably in proportion to the number of shares held by each such stockholder. The holders of shares of Class B Common Stock, as such, shall not be entitled to receive any assets of the Corporation in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

G. Transfer of Class B Common Stock:

a. A holder of Class B Common Stock may only transfer such Class B Common Stock (or a fraction thereof) to a transferee if the holder also transfers a corresponding percentage of the holder 's ownership interest in the Common Units to the transferee (as such number may be adjusted to reflect equitably any stock split, subdivision, combination or similar change with respect to the Common Units or Class B Common Stock). Upon a transfer, in accordance with the foregoing, of any shares (or fraction thereof) of Series B Common Stock to any person or entity other than David Liniger, such shares (or fraction thereof) shall be automatically converted into the same number of shares (or fraction thereof) of fully paid and non-assessable Series B-1 Common Stock. At such time as any holder of Series B Common Stock (other than David Liniger) acquires Series B-1 Common Stock, all shares (or fraction thereof) of Series B Common Stock held by such holder shall be automatically converted into the same number of fully paid and non-assessable shares (or fraction thereof) of Series B-1 Common Stock. At such time, and from time to time, as David Liniger acquires any shares of Series B-1 Common Stock, all shares (or fraction thereof) of Series B-1 Common Stock held by such holder shall be automatically converted into the same number of fully paid and non-assessable shares (or fraction thereof) of Series B Common Stock. For the avoidance of doubt, each share (or fraction thereof) of Class B Common Stock issued upon conversion under this paragraph shall be subject to the restrictions on transfer set forth in the first sentence of this paragraph.

b. Any purported transfer of shares of Class B Common Stock in violation of the restrictions described in the immediately preceding paragraph (the " **Restrictions** ") shall be null and void. If, notwithstanding the foregoing prohibition, a person shall, voluntarily or involuntarily, purportedly become or attempt to become, the purported owner (" **Purported Owner** ") of shares of Class B Common Stock in violation of the Restrictions, then the Purported Owner shall not obtain any rights in and to such shares of Class B Common Stock (the " **Restricted Shares** "), and the purported transfer of the Restricted Shares to the Purported Owner shall not be recognized by the Corporation's transfer agent (the " **Transfer Agent** ").

c. Upon a determination by the Board of Directors that a person has attempted or may attempt to transfer or to acquire Restricted Shares in violation of the Restrictions, the Board of Directors may take such action as it deems advisable to refuse to give effect to such transfer or acquisition on the books and records of the Corporation, including without limitation to cause the Transfer Agent to record the Purported Owner 's transferor as the record owner of the Restricted Shares, and to institute proceedings to enjoin or rescind any such transfer or acquisition.

d. The Board may, to the extent permitted by law, from time to time establish, modify, amend or rescind, by bylaw or otherwise, regulations and procedures not inconsistent with the provisions of this section for determining whether any transfer or acquisition of shares of Class B Common Stock would violate the Restrictions and for the orderly application, administration and implementation of the provisions of this section. Any such procedures and regulations shall be kept on file with the Secretary of the Corporation and with its Transfer Agent and shall be made available for inspection by any prospective transferee and, upon written request, shall be mailed to any holder of shares of Class B Common Stock

e. The Board shall have all powers necessary to implement the Restrictions, including without limitation the power to prohibit the transfer of any shares of Class B Common Stock in violation thereof.

f. Following the transfer of any shares of Class B Common Stock to the Corporation by the LLC or its successors and assigns, the Corporation will take all actions necessary to retire such shares and such shares shall not be re -issued by the Corporation (except for re-issuance in connection with the conversion of any shares of Class B Common Stock).

H. Notwithstanding the foregoing Restrictions, in the event that no Common Units remain exchangeable for shares of Class A Common Stock, each share of Class B Common Stock will be transferred to the Corporation for no consideration, and the Corporation will take all actions necessary to retire such shares and such shares shall not be re-issued by the Corporation. Notwithstanding the foregoing Restrictions, in the event that any outstanding share of Class B Common Stock (or fraction thereof) shall cease to be held by a holder of Common Units, such share (or fraction thereof) shall automatically and without further action on the part of the Corporation or any holder of Class B Common Stock (or fractions thereof) be transferred to the Corporation for no consideration, and the Corporation will take all actions necessary to retire such share and such share shall not be re-issued by the Corporation (except for re-issuance in connection with the conversion of any shares of Class B Common Stock). Notwithstanding the foregoing Restrictions, in the event that any holder of the Class B Common Stock (or fractions thereof) no longer holds an interest in the Common Units, such shares of Class B Common Stock (or fractions thereof) shall automatically and without further action on the part of the Corporation or any holder of Class B Common Stock be transferred to the Corporation for no consideration, and the Corporation will take all actions necessary to retire such shares and such shares shall not be re-issued by the Corporation (except for re-issuance in connection with the conversion of any shares of Class B Common Stock). All certificates or book entries

representing shares of Class B Common Stock (or fractions thereof), as the case may be, shall bear a legend substantially in the following form (or in such other form as the Board of Directors may determine):

> THE SECURITIES REPRESENTED BY THIS [CERTIFICATE][BOOK ENTRY] ARE SUBJECT TO THE RESTRICTIONS (INCLUDING RESTRICTIONS ON TRANSFER) AND CONVERSION PROVISIONS SET FORTH IN THE CERTIFICATE OF INCORPORATION (A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE CORPORATION AND SHALL BE PROVIDED FREE OF CHARGE TO ANY STOCKHOLDER MAKING A REQUEST THEREFOR).

I. The Class B Common Stock may be issued and transferred in fractions of a share which shall entitle the holder to exercise voting rights and to have the benefit of all other rights of holders of Class B Common Stock. Subject to the Restrictions, holders of shares of Class B Common Stock (or fractions thereof) shall be entitled to transfer fractions thereof and the Corporation shall, and shall cause any transfer agent with respect to the Class B Common Stock to, facilitate any such transfers, including by issuing certificates or making book entries representing any such fractional shares.

ARTICLE 5

Each holder of a Common Unit may elect to exchange such holder's Common Units for shares of Class A Common Stock of the Corporation, pursuant to, and solely as provided in, the LLC Agreement and the Corporation shall at all times reserve and keep available out of its authorized but unissued shares or other securities the number of shares or securities required pursuant to the LLC Agreement; provided that nothing contained herein shall be construed to preclude the Corporation from satisfying its obligations in respect of any such exchange by delivery of shares of Class A Common Stock which are held in the treasury of the Corporation. The Corporation covenants that all shares of Class A Common Stock issued upon any such exchange will, upon issuance, be validly issued, fully paid and non-assessable.

ARTICLE 6

A. The Corporation shall undertake all actions, including, without limitation, a reclassification, dividend, division or recapitalization, with respect to the shares of Class A Common Stock or the Common Units (in the case of the LLC, the Corporation authorizing such in its capacity as the Manager (as such term is defined in the LLC Agreement)), to maintain at all times a one-to-one ratio between the number of Common Units owned by the Corporation and the number of outstanding shares of Class A Common Stock, disregarding, for purposes of maintaining the one-to-one ratio, (i) shares of Class A Common Stock issued pursuant to the 2013 Omnibus Incentive Plan, and any other stock incentive plan adopted by the Corporation from time to time, that have not vested thereunder, (ii) treasury stock, (iii) Preferred Stock or (iv) other securities of the Corporation that are not convertible or exercisable or exchangeable for Class A Common Stock.

B. The Corporation shall not undertake or authorize (i) any subdivision (by any Common Unit split, Common Unit distribution, reclassification, recapitalization or similar event) or combination (by reverse Common Unit split, reclassification, recapitalization or similar event) of the Common Units that is not accompanied by an identical subdivision or combination of the Class A Common Stock to maintain at all times a one-to-one ratio between the number of Common Units owned by the Corporation and the number of outstanding shares of Class A Common Stock; or (ii) any subdivision (by any stock split, stock dividend, reclassification, recapitalization or similar event) or combination (by reverse stock split, reclassification, recapitalization or similar event) of the Class A Common Stock that is not accompanied by an identical subdivision or combination of the Common Units to maintain at all times a one-to-one ratio between the number of Common Units owned by the Corporation and the number of outstanding shares of Class A Common Stock, unless, in either case, such action is necessary to maintain at all times a one-to-one ratio between the number of Common Units owned by the Corporation and the number of outstanding shares of Class A Common Stock.

C. The Corporation shall not issue, transfer or deliver from treasury stock or repurchase shares of Class A Common Stock unless in connection with any such issuance, transfer or repurchase the Corporation takes or authorizes all requisite action such that, after giving effect to all such issuances, transfers or repurchases, the number of Common Units owned by the Corporation will equal on a one-for-one basis the number of outstanding shares of Class A Common Stock, disregarding, for purposes of maintaining the one-to-one ratio, (i) shares of Class A Common Stock issued pursuant to the 2013 Omnibus Incentive Plan, and any other stock incentive plan adopted by the Corporation from time to time, that have not vested thereunder, (ii) treasury stock, (iii) Preferred Stock or (iv) other securities of the Corporation that are not convertible or exercisable or exchangeable for Class A Common Stock. The Corporation shall not issue, transfer or deliver from treasury stock or repurchase shares of Preferred Stock unless in connection with any such issuance, transfer, delivery or repurchase the Corporation takes all requisite action such that, after giving effect to all such issuances, transfers or repurchases, the Corporation holds mirror equity interests of the LLC which (in the good faith determination by the Board of Directors) are in the aggregate substantially equivalent to the outstanding Preferred Stock.

D. The Corporation shall not consolidate, merge, combine or consummate any other transaction, and shall take all actions within its power to prohibit the LLC from entering into any merger, combination or other transaction (in each case other than (A) incident to an exchange or a conversion of Common Stock and/or other securities for Common Stock pursuant to the terms of this Amended and Restated Certificate of Incorporation and (B) an action or transaction for which an adjustment is provided in one of the preceding paragraphs of this Article) in which shares of Class A Common Stock or Common Units are exchanged for or converted into other stock or securities, or the right to receive cash and/or any other property, unless in connection with any such consolidation, merger, combination or other transaction each Common Unit and each share of Class A Common Stock, respectively, shall be entitled to be exchanged (subject to proration upon equitable terms in the event of a merger or consolidation upon prorated terms) for or converted into the same kind and amount of stock or securities, cash and/or any other property, as the case may be, into which or for which each share of Class A Common Stock and each Common Unit, respectively, are exchanged or converted, in each case to maintain at all times a one-to-one ratio between the stock, securities, or rights to receive cash and/or any other

property provided with respect to the Common Units and the other stock, securities, or rights to receive cash and/or any other property provided with respect to the Class A Common Stock. The foregoing provisions of this paragraph D shall not apply to any act or transaction (including any consolidation, merger or combination) approved by the holders of a majority of the voting power of the Class A Common Stock and Class B Common Stock, each voting as a separate class.

E. In the event the Corporation effects a merger or consolidation with or into another entity that results in the conversion of Class A Common Stock into, or the exchange of Class A Common Stock for, stock or securities, or the right to receive cash and/or any other property, the shares of Class B Common Stock shall be cancelled in such merger or consolidation and the holders thereof shall receive no consideration for such cancellation. The foregoing provisions of this paragraph E shall not apply to any act or transaction (including any consolidation, merger or combination) approved by the holders of a majority of the voting power of the Class A Common Stock and Class B Common Stock, each voting as a separate class.

ARTICLE 7

A. The Board of Directors is expressly authorized to adopt, amend and repeal the Bylaws of the Corporation.

B. The stockholders are expressly authorized to adopt, amend and repeal the Bylaws of the Corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required to adopt, amend or repeal any provision of the Bylaws of the Corporation.

ARTICLE 8

A. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

B. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, the number of directors which shall constitute the Board of Directors shall be fixed exclusively by resolutions adopted by a majority of the Whole Board. For purposes of this Amended and Restated Certificate of Incorporation, the term " **Whole Board** " shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships.

C. Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock then outstanding, unless the Board of Directors otherwise determines, newly created directorships resulting from any increase in the authorized number of directors or any vacancies on the Board of Directors resulting from the death, resignation, retirement, disqualification, removal from office or other cause shall be filled only by a majority vote of the directors then in office and entitled to vote thereon, though less than a quorum, or by a sole remaining director entitled to vote thereon, and not by the stockholders.

D. Subject to the rights of the holders of any series of Preferred Stock then outstanding, any director, or the entire Board of Directors, may be removed from office, but only for cause, at a meeting called for that purpose, and only by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 $^{2}/_{3}$ %) of the voting power of all outstanding shares of capital stock entitled to vote at an election of directors, voting together as a single class.

E. The Board of Directors shall be divided into three classes, designated Class I, Class II and Class III. Upon the effectiveness of this Amended and Restated Certificate of Incorporation including this provision, each director then in office shall be designated as a Class I director, a Class II director or a Class III director. The initial Class I directors shall serve for a term expiring at the first annual meeting of stockholders of the Corporation following the effective time of this Amended and Restated Certificate of Incorporation; the initial Class II directors shall serve for a term expiring at the second annual meeting of stockholders following the effective time of this Amended and Restated Certificate of Incorporation; and the initial Class III directors shall serve for a term expiring at the third annual meeting of stockholders following the effective time of this Amended and Restated Certificate of Incorporation. At each annual meeting of stockholders beginning with the first annual meeting of stockholders following the effective time of this Amended and Restated Certificate of Incorporation, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the third annual meeting of stockholders to be held following their election, with each director in each such class to hold office until his or her successor is duly elected and qualified. The Board of Directors is authorized to assign members of the Board already in office to Class I, Class II and Class III at the effectiveness of this Amended and Restated Certificate of Incorporation. The provisions of this paragraph are subject to the rights of the holders of any class or series of Preferred Stock to elect directors.

ARTICLE 9

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation; *provided, however* , that, notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of this Corporation required by law or by this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 $^{2}/_{3}$ %) of the voting power of the outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required to amend or repeal, or adopt any provision of this Amended and Restated Certificate of Incorporation inconsistent with Article 4.D, Article 4.G, Article 4.H, Article 5, Article 6, Article 7, Article 8, this Article 9, Article 10, Article 11 or Article 13 of this Amended and Restated Certificate of Incorporation.

If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation (including, without

limitation, each portion of any sentence of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

ARTICLE 10

To the fullest extent permitted by Delaware law, no director of this Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. No amendment to, or modification or repeal of, this Article 10 shall adversely affect any right or protection of a director of the Corporation existing hereunder with respect to any act or omission occurring prior to such amendment, modification or repeal.

ARTICLE 11

Any action required or permitted to be taken at any annual or special meeting of stockholders may be taken upon the vote of stockholders at an annual or special meeting duly noticed and called in accordance with Delaware Law, as amended from time to time, and may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, are signed by the holders of outstanding shares of the relevant class or series having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded; *provided, however*, that, subject to the rights of any series of Preferred Stock, if the shares of capital stock of the Corporation beneficially owned by the Existing Owner (as defined below) constitute less than fifty percent (50%) of the total voting power of all the then outstanding capital stock of the Corporation entitled to vote generally in the election of directors, any action required or permitted to be taken at any annual or special meeting of stockholders may only be taken at an annual or special meeting duly noticed and called in accordance with Delaware Law, as amended from time to time, and may not be taken by written consent of stockholders without a meeting. Special meetings of the stockholders may be called only by a resolution adopted by the affirmative vote of directors constituting a majority of the Whole Board. As used in this Amended and Restated Certificate of Incorporation, " **Existing Owner** " means RIHI.

ARTICLE 12

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (the "Court of Chancery") shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the General Corporation Law of the State of Delaware or the Corporation's Certificate of Incorporation or Bylaws, or (iv) any action asserting a claim against the Corporation, its directors, officers or

employees governed by the internal affairs doctrine, except as to each of (i) through (iv) above, for any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction.

ARTICLE 13

A. The Corporation expressly elects not to be governed by Section 203 of the DGCL.

B. Notwithstanding any other provision in this Amended and Restated Certificate of Incorporation to the contrary, the Corporation shall not engage in any Business Combination (as defined hereinafter) with any Interested Stockholder (as defined hereinafter) for a period of three years following the time that such stockholder became an Interested Stockholder, unless:

(a) prior to such time the Board of Directors approved either the Business Combination or the transaction which resulted in such stockholder becoming an Interested Stockholder;

(b) upon consummation of the transaction which resulted in such stockholder becoming an Interested Stockholder, such stockholder owned at least eighty-five percent (85%) of the Voting Stock (as defined hereinafter) of the Corporation outstanding at the time the transaction commenced, excluding for purposes of determining the Voting Stock outstanding (but not the outstanding Voting Stock owned by such stockholder) those shares owned (i) by Persons (as defined hereinafter) who are directors and also officers of the Corporation and (ii) employee stock plans of the Corporation in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

(c) at or subsequent to such time the Business Combination is approved by the Board of Directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least sixty-six and two-thirds percent (66 ^{2} /3%) of the outstanding Voting Stock which is not owned by such stockholder.

C. The restrictions contained in this Article 13 shall not apply if:

(a) a stockholder becomes an Interested Stockholder inadvertently and (i) as soon as practicable divests itself of ownership of sufficient shares so that the stockholder ceases to be an Interested Stockholder; and (ii) would not, at any time within the three-year period immediately prior to a Business Combination between the Corporation and such stockholder, have been an Interested Stockholder but for the inadvertent acquisition of ownership; or

(b) the Business Combination is proposed prior to the consummation or abandonment of and subsequent to the earlier of the public announcement or the notice required hereunder of a proposed transaction which (i) constitutes one of the transactions described in the second sentence of this subparagraph C.(b) of Article 13; (ii) is with or by a Person who either was not an Interested Stockholder during the previous three years or who became an Interested Stockholder with the approval of the Board of Directors; and (iii) is approved or not opposed by a majority of the directors then in office (but not less than one) who were directors prior to any Person becoming an Interested Stockholder during the previous three years or were recommended for election or elected to succeed such directors by a majority of such directors. The proposed transactions referred to in the preceding sentence are limited to (x) a merger or consolidation of the Corporation (except for a merger in respect of which, pursuant to Section 251(f) of the DGCL, no vote of the stockholders of the Corporation is required); (y) a sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation (other than to any direct or indirect wholly-owned subsidiary or to the Corporation) having an aggregate market value equal to fifty percent (50%) or more of either that aggregate market value of all of the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding Stock (as defined hereinafter) of the Corporation; or (z) a proposed tender or exchange offer for fifty percent (50%) or more of the outstanding Voting Stock of the Corporation. The Corporation shall give not less than 20 days' notice to all Interested Stockholders prior to the consummation of any of the transactions described in clause (x) or (y) of the second sentence of this subparagraph C.(b) of Article 13.

D. As used in this Article 13 only, and unless otherwise provided by the express terms of this Article 13, the following terms shall have the meanings ascribed to them as set forth in this paragraph D:

(a) " **Affiliate** " means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another Person;

(b) " **Associate** ", when used to indicate a relationship with any Person, means: (i) any corporation, partnership, unincorporated association or other entity of which such Person is a director, officer or partner or is, directly or indirectly, the owner of twenty percent (20%) or more of any class of Voting Stock; (ii) any trust or other estate in which such Person has at least a twenty percent (20%) beneficial interest or as to which such Person serves as trustee or in a similar fiduciary capacity; and (iii) any relative or spouse of such Person, or any relative of such spouse, who has the same residence as such Person;

(c) “ **Business Combination** ” means:

(i) any merger or consolidation of the Corporation (other than a merger effected pursuant to Section 253 or Section 267 of the DGCL) or any direct or indirect majority-owned subsidiary of the Corporation with (A) the Interested Stockholder, or (B) with any Person if the merger or consolidation is caused by the Interested Stockholder and as a result of such merger or consolidation paragraph B of this Article 13 is not applicable to the surviving entity;

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a stockholder of the Corporation, to or with the Interested Stockholder, whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation which assets have an aggregate market value equal to ten percent (10%) or more of either the aggregate market value of all the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding Stock of the Corporation;

(iii) any transaction which results in the issuance or transfer by the Corporation or by any direct or indirect majority-owned subsidiary of the Corporation of any Stock of the Corporation or of such subsidiary to the Interested Stockholder, except: (A) pursuant to the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into Stock of the Corporation or any such subsidiary which securities were outstanding prior to the time that the Interested Stockholder became such; (B) pursuant to a merger under Section 251(g), 253 or 267 of the DGCL; (C) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into Stock of the Corporation or any such subsidiary which security is distributed, pro rata to all holders of a class or series of Stock of the Corporation subsequent to the time the Interested Stockholder became such; (D) pursuant to an exchange offer by the Corporation to purchase Stock made on the same terms to all holders of such Stock; or (E) any issuance or transfer of Stock by the Corporation; provided however, that in no case under items (C) through (E) of this subparagraph D.(c)(iii) of Article 13 shall there be an increase in the Interested Stockholder’s proportionate share of the Stock of any class or series of the Corporation or of the Voting Stock of the Corporation;

(iv) any transaction involving the Corporation or any direct or indirect majority-owned subsidiary of the Corporation which has the effect, directly or indirectly, of increasing the proportionate share of the Stock of any class or series, or securities convertible into the Stock of any class or series, of the Corporation or of any such subsidiary which is owned by the Interested Stockholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares of Stock not caused, directly or indirectly, by the Interested Stockholder; or

(v) any receipt by the Interested Stockholder of the benefit, directly or indirectly (except proportionately as a stockholder of the Corporation), of any loans, advances, guarantees, pledges or other financial benefits (other than those expressly permitted in subparagraphs D.(c)(i) through (iv) of Article 13) provided by or through the Corporation or any direct or indirect majority-owned subsidiary of the Corporation.

(d) " **Control** ", including the terms " **controlling** ", " **controlled by** " and " **under common control with** ", means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of stock or other equity interests, by contract or otherwise. A Person who is the owner of twenty percent (20%) or more of the outstanding Voting Stock of any corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary; notwithstanding the foregoing, a presumption of control shall not apply where such Person holds Voting Stock, in good faith and not for the purpose of circumventing this Article 13, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group have control of such entity;

(e) " **Interested Stockholder** " means any Person (other than the Corporation and any direct or indirect majority-owned subsidiary of the Corporation) that (i) is the owner of fifteen percent (15%) or more of the outstanding Voting Stock of the Corporation, or (ii) is an Affiliate or Associate of the Corporation and was the owner of fifteen percent (15%) or more of the outstanding Voting Stock of the Corporation at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such Person is an Interested Stockholder, and the Affiliates and Associates of such Person. Notwithstanding anything in this Article 13 to the contrary, the term "Interested Stockholder" shall not include: (x) RIHI, Inc.; (y) any Person who would otherwise be an Interested Stockholder because of a transfer, sale, assignment, conveyance, hypothecation, encumbrance, or other disposition of five percent (5%) or more of the outstanding Voting Stock of the Corporation (in one transaction or a series of transactions) by any party specified in the immediately preceding clause (x) to such Person; *provided , however ,* that such Person was not an Interested Stockholder prior to

such transfer, sale, assignment, conveyance, hypothecation, encumbrance, or other disposition; or (z) any Person whose ownership of shares in excess of the fifteen percent (15%) limitation set forth herein is the result of action taken solely by the Corporation, provided that, for purposes of this clause (z), such Person shall be an Interested Stockholder if thereafter such Person acquires additional shares of Voting Stock of the Corporation, except as a result of further action by the Corporation not caused, directly or indirectly, by such Person;

(f) " **Owner** ", including the terms " **own** " and " **owned** ", when used with respect to any Stock, means a Person that individually or with or through any of its affiliates or associates beneficially owns such Stock, directly or indirectly; or has (A) the right to acquire such Stock (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; provided, however, that a Person shall not be deemed the owner of Stock tendered pursuant to a tender or exchange offer made by such Person or any of such Person's Affiliates or Associates until such tendered Stock is accepted for purchase or exchange; or (B) the right to vote such Stock pursuant to any agreement, arrangement or understanding; provided, however, that a Person shall not be deemed the owner of any Stock because of such Person's right to vote such Stock if the agreement, arrangement or understanding to vote such Stock arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to 10 or more Persons; or has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in (B) of this paragraph D.(f) of Article 13), or disposing of such Stock with any other Person that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such Stock; *provided* , that, for the purpose of determining whether a Person is an Interested Stockholder, the Voting Stock of the Corporation deemed to be outstanding shall include Stock deemed to be owned by the Person through application of this definition of "owned" but shall not include any other unissued Stock of the Corporation which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise;

(g) " **Person** " means any individual, corporation, partnership, unincorporated association or other entity;

(h) " **Stock** " means, with respect to any corporation, capital stock and, with respect to any other entity, any equity interest; and

(i) " **Voting Stock** " means, with respect to any corporation, Stock of any class or series entitled to vote generally in the election of directors and, with respect to any entity that is not a corporation, any equity interest entitled to vote generally in the election of the governing body of such entity. Every reference to a percentage of Voting Stock shall refer to such percentage of the votes of or voting power conferred by such Voting Stock.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation, which has been duly adopted in accordance with Sections 242 and 245 of the Delaware General Corporation Law, to be signed by Geoffrey D. Lewis, its Executive Vice President and Chief Legal and Compliance Officer, on this 1st day of October, 2013.

RE/MAX HOLDINGS, INC.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

Exhibit 3.2

AMENDED AND RESTATED BYLAWS
OF
RE/MAX HOLDINGS, INC.

ARTICLE 1
OFFICES

Section 1.1 Registered Office .

The registered office of RE/MAX Holdings, Inc. (the " **Corporation** ") in the State of Delaware shall be set forth in the Amended and Restated Certificate of Incorporation of the Corporation.

Section 1.2 Other Offices.

The Corporation may also have offices at such other places, either within or without the State of Delaware, as the Board of Directors of the Corporation (the " **Board of Directors** ") may from time to time determine or the business of the Corporation may require.

ARTICLE 2
STOCKHOLDERS' MEETINGS

Section 2.1 Place of Meetings.

Meetings of the stockholders of the Corporation shall be held at such place, either within or without the State of Delaware, or at no place and solely by means of remote communications, as may be designated by or in the manner provided in these Bylaws, or, if not so designated, as determined from time to time by the Board of Directors.

Section 2.2 Annual Meetings.

The annual meetings of the stockholders of the Corporation, for the purpose of election of directors and for such other business as may lawfully come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors. The Board of Directors may postpone or reschedule any previously scheduled annual meeting.

Section 2.3 Special Meetings.

Special meetings of the stockholders of the Corporation, other than those required by statute, may only be called in the manner provided in the Corporation's Amended and Restated Certificate of Incorporation. Only such business shall be brought before a special meeting of stockholders as shall have been specified in the notice of such meeting. The Board of Directors may postpone or reschedule any previously scheduled special meeting.

Section 2.4 Notice of Meetings.

(a) Except as otherwise required from time to time by law, the Amended and Restated Certificate of Incorporation, or these Bylaws, written notice of each meeting of stockholders, specifying the place, if any, date and hour and purpose or purposes of the meeting, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for determining stockholders entitled to notice of the meeting), shall be given not less than 10 nor more than 60 days before the date on which the meeting is to be held to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting. Except as otherwise provided herein or permitted by applicable law, notice to stockholders shall be in writing and directed to the address of each stockholder as it appears on the books of the Corporation. If the Board of Directors fixes a date for determining the stockholders entitled to notice of a meeting of stockholders, such date shall also be the record date for determining the stockholders entitled to vote at such meeting, unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination.

(b) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken. If the adjournment is for more than 30 days, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and, except as otherwise required by law, shall not be more than 60 nor less than 10 days before the date of such adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

(c) Notice of the time, place and purpose of any meeting of stockholders may be waived in writing or by electronic transmission, either before or after such meeting, and, to the extent permitted by law, will be waived by any stockholder by his attendance thereat, in person or by proxy except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called or convened.

(d) Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of the Delaware General Corporation Law, as amended (" **DGCL** "), the Amended and Restated Certificate of Incorporation, or these Bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such

consent shall be revocable by the stockholder by written notice to the Corporation. Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent, and (ii) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given pursuant to this subsection shall be deemed given: (1) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice; (2) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (3) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the stockholder. An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of these Bylaws, " **electronic transmission** " means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process. This subsection shall not apply to the acts or transactions contemplated by Sections 164, 296, 311, 312 or 324 of the DGCL.

Section 2.5 Quorum and Voting.

(a) At all meetings of stockholders except where otherwise required by law, the Amended and Restated Certificate of Incorporation, these Bylaws or the rules of any stock exchange upon which the Corporation's securities are listed, the presence, in person or by proxy duly authorized, of the holders of a majority of the voting power of all the shares of stock entitled to vote shall constitute a quorum for the transaction of business. Where a separate vote by a class or classes or series is required, a majority of the voting power of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to that vote on that matter. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, by vote of the holders of a majority of the voting power represented thereat or by the chairman of the meeting, but no other business shall be transacted at such meeting. At such adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the original meeting. To the fullest extent permitted by law, the stockholders present at a duly called or convened meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

(b) Except as otherwise required by law, the Amended and Restated Certificate of Incorporation or these Bylaws, and except as otherwise required by the rules of any stock exchange upon which the Corporation's securities are listed, all matters other than the election of directors shall be decided by a majority of the votes cast on such matter affirmatively or negatively. For purposes of these Bylaws, a share present at a meeting, but for which there is

an abstention or broker non-vote on a particular matter shall be counted as present for the purpose of establishing a quorum but shall not be counted as a vote cast on the matter in question.

Section 2.6 Voting Rights.

(a) Except as otherwise required by law, only persons in whose names shares entitled to vote stand on the stock records of the Corporation on the record date for determining the stockholders entitled to vote at said meeting shall be entitled to vote at such meeting.

(b) Every person entitled to vote or to execute consents shall have the right to do so either in person or by proxy. Said proxy so appointed need not be a stockholder. No proxy shall be voted on after three (3) years from its date unless the proxy provides for a longer period. Unless and until voted, every proxy shall be revocable unless it states that it is irrevocable and is coupled with an interest sufficient at law to support an irrevocable power.

(c) Without limiting the manner in which a stockholder may authorize another person or persons to act for him as proxy pursuant to subsection (b) of this section, the following shall constitute a valid means by which a stockholder may grant such authority:

(1) A stockholder may execute a writing authorizing another person or persons to act for him as proxy. Execution may be accomplished by the stockholder or his authorized officer, director, employee or agent signing such writing or causing his or her signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature.

(2) A stockholder may authorize another person or persons to act for him as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such transmission must either set forth or be submitted with information from which it can be determined that the transmission was authorized by the stockholder. Without limiting the foregoing, such authorization may be established by the signature of the stockholder on the proxy, either in writing or by a signature stamp or facsimile signature, or by a number or symbol from which the identity of the stockholder can be determined, or by any other procedure deemed appropriate by the inspectors or other persons making the determination as to due authorization.

(d) Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to subsection (c) of this section may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 2.7 Voting Procedures and Inspectors of Elections.

(a) The Corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his ability.

(b) The inspectors shall (i) ascertain the number of shares outstanding and the voting power of each, (ii) determine the shares represented at a meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors.

(c) The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. No ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspectors after the closing of the polls unless the Court of Chancery shall determine otherwise upon application by a stockholder.

(d) In determining the validity and counting of proxies and ballots, the inspectors shall be limited to an examination of the proxies, any envelopes submitted with those proxies, any information provided in accordance with Section 211(e) or 212(c)(2) of the DGCL, or any information provided pursuant to Section 211(a)(2)b.(i) or (iii) thereof, ballots and the regular books and records of the Corporation, except that the inspectors may consider other reliable information for the limited purpose of reconciling proxies and ballots submitted by or on behalf of banks, brokers, their nominees or similar persons which represent more votes than the holder of a proxy is authorized by the record owner to cast or more votes than the stockholder holds of record. If the inspectors consider other reliable information for the limited purpose permitted herein, the inspectors at the time they make their certification pursuant to subsection (b)(v) of this section shall specify the precise information considered by them including the person or persons from whom they obtained the information, when the information was obtained, the means by which the information was obtained and the basis for the inspectors' belief that such information is accurate and reliable.

Section 2.8 List of Stockholders .

The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting (or, if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote on

the tenth day before the meeting date), arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. The Corporation need not include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

Section 2.9 Stockholder Proposals at Annual Meetings.

At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business (other than nominations of directors made pursuant to Section 2.10) must be brought before the meeting (i) by or at the direction of the Board of Directors, or (ii) by a stockholder of record of the Corporation (a " **Record Stockholder** ") at the time of the giving of the notice required in the following paragraph, who is entitled to vote and the meeting and who complies with this Section 2.9. The foregoing clause (ii) shall be the exclusive means for a stockholder to propose business (other than business included in the Corporation's proxy materials pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the " **Exchange Act** ")) at an annual meeting of stockholders.

In addition to any other applicable requirements for business to be properly brought before an annual meeting by a Record Stockholder, (a) the Record Stockholder must have given timely notice thereof in writing to the Secretary of the Corporation, (b) any such business must be a proper matter for stockholder action under Delaware law and (c) the Record Stockholder and the beneficial owner, if any, on whose behalf any such proposal is made, must have acted in accordance with the representations set forth in the Business Solicitation Statement required by these Bylaws. To be timely, a Record Stockholder's notice must be delivered to the Secretary at the Corporation's principal executive offices not less than 90 days or more than 120 days prior to the first anniversary of the date on which the Corporation first mailed its proxy materials (or, in the absence of proxy materials, its notice of meeting) for the previous year's annual meeting of stockholders. However, if the Corporation did not hold an annual meeting the previous year, or if the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, then to be timely, notice by the stockholder must be delivered to the Secretary at the Corporation's principal executive offices not later than 5:00 p.m. (local time in the principal place of business of the Corporation) on the later of (i) the 90 th day prior to such annual meeting or (ii) the 10 th day following the day

on which public announcement of the date of such meeting is first made. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above. Other than with respect to stockholder proposals relating to director nomination (s), which requirements are set forth in Section 2.10 below, a stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of the Record Stockholder proposing such business and the beneficial owner, if any, on whose behalf the proposal is made, (iii) the class, series, and number of shares of the Corporation which are owned, directly or indirectly, beneficially and of record by the Record Stockholder, (iv) any material interest of the Record Stockholder in such business and the beneficial owner, if any, on whose behalf the proposal is made, (v) as to the stockholder giving the notice and any Stockholder Associated Person (as defined below) or any member of such stockholder's immediate family sharing the same household, whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including, but not limited to, any short position or any borrowing or lending of shares of stock) has been made, the effect or intent of which is to mitigate loss or increase profit to or manage the risk or benefit of stock price changes for, or to increase or decrease the voting power of, such stockholder, such Stockholder Associated Person or family member with respect to any share of stock of the Corporation (each, a " **Relevant Hedge Transaction** "), (vi) as to the stockholder giving the notice and any Stockholder Associated Person or any member of such stockholder's immediate family sharing the same household, to the extent not set forth pursuant to the immediately preceding clause, (a) whether and the extent to which such stockholder, Stockholder Associated Person or family member has direct or indirect beneficial ownership of any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (a " **Derivative Instrument** "), (b) any proxy, contract, arrangement, understanding, or relationship pursuant to which either party has a right to vote, directly or indirectly, any shares of any security of the Corporation, (c) any rights to dividends on the shares of the Corporation owned beneficially by such stockholder, Stockholder Associated Person or family member that are separated or separable from the underlying shares of the Corporation, (d) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder, Stockholder Associated Person or family member is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (e) any performance-related fees (other than an asset-based fee) that such stockholder, Stockholder Associated Person or family member is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice (which information shall be supplemented by such stockholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date), and (vii) a statement whether or not such person intends or is part of a group that intends to deliver a proxy statement or form of proxy to holders of at least the percentage of

voting power of all shares of capital stock reasonably believed to be sufficient to carry the proposal and/or otherwise to solicit votes or proxies in support of such proposal (such statement, a " **Business Solicitation Statement** ").

For purposes of this Section 2.9 and Section 2.10, " **Stockholder Associated Person** " of any stockholder shall mean (i) any person controlling or controlled by, directly or indirectly, or acting in concert with, such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder and (iii) any person controlling, controlled by or under common control with such Stockholder Associated Person.

Notwithstanding anything in the Bylaws to the contrary, no business (other than a nomination submitted in accordance with Section 2.10) shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 2.9, provided, however, that nothing in this Section 2.9 shall be deemed to preclude discussion by any stockholder of any business properly brought before the annual meeting in accordance with said procedure. Notwithstanding the foregoing provisions of this Section 2.9, if the stockholder making a proposal or a qualified representative of such stockholder does not appear at the annual meeting to present a proposal submitted in compliance with this Section 2.9 (including without limitation any proposal included in the Corporation's proxy statement under Rule 14a-8 under the Exchange Act), such proposal shall not be presented or voted upon at the annual meeting. For purposes of the foregoing sentence, to be considered a qualified representative of a stockholder, a person must be a duly authorized manager, officer or partner of such stockholder or must be authorized by such stockholder in writing to act as such. In the event a qualified representative of a stockholder will appear at a meeting and make a proposal in lieu of a stockholder, the stockholder must provide the notice of such designation at least twenty-four hours prior to the meeting. If no such advance notice is provided only the stockholder may make the proposal and the proposal may be disregarded in the event the stockholder fails to appear and make the proposal.

The chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section 2.9, and if he should so determine he shall so declare to the meeting, and any such business not properly brought before the meeting shall not be transacted.

Nothing in this Section 2.9 shall affect the right of a stockholder to request inclusion of a proposal in the Corporation's proxy statement or information statement pursuant to Rule 14a-8 under the Exchange Act, and any proposal submitted in compliance with Rule 14a-8 under the Exchange Act and included in the Corporation's proxy statement or information statement pursuant thereto shall be deemed to be properly before the meeting. For purposes of these Bylaws, " **public announcement** " shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

Section 2.10 Nominations of Persons for Election to the Board of Directors.

In addition to any other applicable requirements, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of stockholders (i) by or at the direction of the Board of Directors, or by any nominating committee or person appointed by the Board of Directors, (ii) by any Record Stockholder of the Corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Section 2.10. The foregoing clause (ii) shall be the exclusive means for a stockholder to make nominations at a meeting of stockholders.

In addition to any other applicable requirements for nominations to be properly brought before an annual meeting by a stockholder (a) such nominations must be made pursuant to timely notice in writing to the Secretary of the Corporation and (b) the Record Stockholder, the beneficial owner, if any, on whose behalf the nomination is made, and the nominee, must have acted in accordance with the representations set forth in the Nomination Solicitation Notice required by these Bylaws. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than 90 days or more than 120 days prior to the first anniversary of the date on which the Corporation first mailed its proxy materials (or, in the absence of proxy materials, its notice of meeting) for the previous year's annual meeting of stockholders. However, if the Corporation did not hold an annual meeting the previous year, or if the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, then to be timely, notice by the stockholder must be delivered to the Secretary at the Corporation's principal executive offices not later than 5:00 p.m. (local time in the principal place of business of the Corporation) on the later of (i) the 90 th day prior to such annual meeting or (ii) the 10 th day following the day on which public announcement of the date of such meeting is first made. Notwithstanding anything in the preceding sentence to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased and there has been no public announcement naming all of the nominees for director or indicating the increase in the size of the Board of Directors made by the Corporation at least 10 days before the last day a Record Stockholder may deliver a notice of nomination in accordance with the preceding sentence, a Record Stockholder's notice required by this bylaw shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10 th day following the day on which such public announcement is first made by the Corporation. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above. The stockholder's notice relating to director nomination(s) shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class, series and number of shares of the Corporation which are beneficially owned by the person, (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to Regulation 14A under the Exchange Act and such person's written consent to serve as a director if elected; (b) as to the Record Stockholder giving the

notice, and the beneficial owner, if any, on whose behalf the proposal was made, (i) the name and record address of the stockholder, and (ii) the class, series and number of shares of the Corporation which are beneficially owned; (c) as to the Record Stockholder giving the notice and any Stockholder Associated Person (as defined in Section 2.9) or any member of such stockholder's immediate family sharing the same household, to the extent not set forth pursuant to the immediately preceding clause, whether and the extent to which any Relevant Hedge Transaction (as defined in Section 2.9) has been entered into; and (d) as to the stockholder giving the notice and any Stockholder Associated Person or any member of such stockholder's immediate family sharing the same household, (1) whether and the extent to which any Derivative Instrument (as defined in Section 2.9) is directly or indirectly beneficially owned, (2) any proxy, contract, arrangement, understanding, or relationship pursuant to which either party has a right to vote, directly or indirectly, any shares of any security of the Corporation, (3) any rights to dividends on the shares of the Corporation owned beneficially by such stockholder that are separated or separable from the underlying shares of the Corporation, (4) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (5) any performance-related fees (other than an asset-based fee) that such stockholder is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such stockholder's immediate family sharing the same household (which information shall be supplemented by such stockholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date); and (e) a statement whether or not such person or its nominee intends or is part of a group that intends to deliver a proxy statement or form of proxy to holders of at least the percentage of voting power of all shares of capital stock reasonably believed to be sufficient to elect the nominee or nominees proposed to be nominated and/or otherwise to solicit votes or proxies in support of such nomination (the " **Nomination Solicitation Notice** "). The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein. These provisions shall not apply to nomination of any persons entitled to be separately elected by holders of preferred stock.

A person shall not be eligible for election or re-election as a director at an annual meeting unless (i) the person is nominated by a Record Stockholder in accordance with this Section 2.10 or (ii) the person is nominated by or at the direction of the Board of Directors. Only such business shall be conducted at an annual meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this section. Notwithstanding the foregoing provisions of this Section 2.10, if the stockholder making a nomination or a qualified representative of such stockholder does not appear at the annual meeting to present a nomination submitted in compliance with this Section 2.10, such nomination(s) shall not be presented or voted upon at the annual meeting. For purposes of the foregoing sentence, to be considered a qualified representative of a stockholder, a person must be a duly authorized manager, officer or partner of such stockholder or must be authorized by such stockholder in writing to act as such. In the event a qualified representative of a stockholder will appear at a

meeting and make a nomination in lieu of a stockholder, the stockholder must provide the notice of such designation at least twenty-four hours prior to the meeting. If no such advance notice is provided only the stockholder may make the nomination and the nomination may be disregarded in the event the stockholder fails to appear and make the nomination.

The chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

Section 2.11 Action Without Meeting.

Unless otherwise provided in the Amended and Restated Certificate of Incorporation, the stockholders of the Corporation may not act by written consent.

Section 2.12 Conduct of Stockholder Meetings.

The Chairman of the Board, or in his or her absence the Chief Executive Officer, or any other person designated by the Board of Directors, shall act as chairman of and preside at any meeting of the stockholders. Each of the chairman of the meeting and the Board shall have the authority to adopt and enforce rules providing for the orderly conduct of the meeting and the safety of those in attendance, including without limitation the authority to: (i) determine when the polls will open and close on items submitted for stockholder action; (ii) fix the time allotted for consideration of each agenda item and for questions and comments by persons in attendance; (iii) adopt rules for determining who may pose questions and comments during the meeting; (iv) adopt rules for determining who may attend the meeting; and (v) adopt procedures (if any) requiring attendees to provide the Corporation advance notice of their intent to attend the meeting. The chairman of the meeting may adjourn or recess any meeting of stockholders, whether pursuant to Section 2.5 of this Article 2 or otherwise, and notice of such adjournment or recess need be given only if required by law.

ARTICLE 3
DIRECTORS

Section 3.1 Number and Term of Office.

(a) The number of directors of the Corporation shall not be less than 3 nor more than 18. Subject to the rights of the holders of any series of preferred stock to elect additional directors under specified circumstances, the exact number of directors shall be fixed from time to time exclusively by resolutions duly adopted by a majority of the Whole Board. The term " **Whole Board** " shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorship. Subject to the foregoing provisions for changing the number of directors, the number of directors of the Corporation has been fixed at thirteen (13). Elected directors shall hold office until the next annual meeting in which their terms expire and until their successors shall be duly elected and qualified. Directors need not be

stockholders. In no case will a decrease in the number of directors shorten the term of any incumbent director.

(b) The directors shall be divided into three classes, designated Class I, Class II and Class III. Upon the effectiveness of the Amended and Restated Certificate of Incorporation including this provision, each director then in office shall be designated as a Class I director, a Class II director or a Class III director. The initial Class I directors shall serve for a term expiring at the first annual meeting of stockholders of the Corporation following the effective time of the Amended and Restated Certificate of Incorporation; the initial Class II directors shall serve for a term expiring at the second annual meeting of stockholders following the effective time of the Amended and Restated Certificate of Incorporation; and the initial Class III directors shall serve for a term expiring at the third annual meeting of stockholders following the effective time of the Amended and Restated Certificate of Incorporation. At each annual meeting of stockholders beginning with the first annual meeting of stockholders following the effective time of the Amended and Restated Certificate of Incorporation, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the third annual meeting of stockholders held following their election, with each director in each such class to hold office until his or her successor is duly elected and qualified. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of preferred stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the applicable terms of these Bylaws and any certificate of designation creating such class or series of preferred stock, and such directors so elected shall not be divided into classes pursuant to this Section 3.1 unless expressly provided by such terms.

(c) Except as provided in Section 3.3 of this Article III, the directors shall be elected by a plurality vote of the votes cast and entitled to vote on the election of directors at any meeting for the election of directors at which a quorum is present.

Section 3.2 Powers .

The powers of the Corporation shall be exercised, its business conducted and its property controlled by or under the direction of the Board of Directors.

Section 3.3 Vacancies and Newly Created Directorships.

Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock then outstanding, unless the Board of Directors otherwise determines, newly created directorships resulting from any increase in the authorized number of directors or any vacancies on the Board of Directors resulting from the death, resignation, retirement, disqualification, removal from office or other cause shall be filled only by a majority vote of the directors then in office and entitled to vote thereon, though less than a quorum, or by a sole remaining director entitled to vote thereon, and not by the stockholders, and each director so elected shall hold office for the unexpired portion of the term of the director whose place shall be vacant or until his successor shall have been duly elected and qualified.

Section 3.4 Resignations and Removals.

(a) Any director may resign at any time by delivering his resignation to the Secretary in writing or by electronic transmission, such resignation to specify whether it will be effective at a particular time or upon the happening of a particular event, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made it shall be deemed effective upon receipt. When one or more directors shall resign from the Board of Directors effective at a future date, a majority of the directors then in office and entitled to vote thereon, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

(b) Subject to the rights of the holders of any series of preferred stock then outstanding, except as otherwise set forth in the Amended and Restated Certificate of Incorporation, a director, or the entire Board of Directors, may be removed from office only for cause, at a meeting called for that purpose, by the affirmative vote of the holders of at least sixty-six and two-thirds percent ($66\ ^{2}/_{3}\%$) of the voting power of all outstanding shares of capital stock entitled to vote at an election of directors, voting together as a single class.

Section 3.5 Meetings .

(a) Except as hereinafter otherwise provided, regular meetings of the Board of Directors shall be held at the principal executive office of the Corporation. Regular meetings of the Board of Directors may also be held at any place, within or without the State of Delaware, which has been approved by the Board of Directors.

(b) Special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by at the direction of (i) directors constituting a majority of the Whole Board, (ii) the Chairman of the Board of Directors, or (iii) the Chief Executive Officer.

(c) Written notice of the time and place of all regular and special meetings of the Board of Directors shall be delivered personally to each director or sent by any form of electronic transmission at least 48 hours before the start of the meeting, or sent by first class mail at least 120 hours before the start of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat unless the director attends for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting need be specified in any such waiver. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.6 Quorum and Voting.

(a) A quorum of the Board of Directors shall consist of a majority of the Whole Board as fixed from time to time in accordance the Amended and Restated Certificate of Incorporation and these Bylaws.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by a vote of a majority of the directors present, unless a different vote be required by law, the Amended and Restated Certificate of Incorporation, or these Bylaws.

(c) Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communication equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

Section 3.7 Action Without Meeting.

Unless otherwise restricted by the Amended and Restated Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or of such committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 3.8 Fees and Compensation.

Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by resolution of the Board of Directors.

Section 3.9 Committees .

(a) **Executive Committee** : The Board of Directors may appoint an Executive Committee of not less than one member, each of whom shall be a director. To the extent permitted by law, the Executive Committee shall have and may exercise when the Board of Directors is not in session all powers of the Board of Directors in the management of the business and affairs of the Corporation, except such committee shall not have the power or authority to amend these Bylaws or to approve or recommend to the stockholders any action (other than the election or removal of directors) which must be submitted to stockholders for approval under the DGCL.

(b) **Other Committees** : The Board of Directors may from time to time appoint such other committees as may be permitted by law. Except as otherwise required by law, such other committees appointed by the Board of Directors shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committee.

(c) **Term** : Subject to the provisions of subsections (a) and (b) of this Section 3.9, the Board of Directors may at any time increase or decrease the number of members of a committee or terminate the existence of a committee; provided that no committee shall consist of less than one member. The membership of a committee member shall terminate on the

date of his death or voluntary resignation, but the Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) **Meetings** : Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 3.9 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter; special meetings of any such committee may be held at the principal executive office of the Corporation or at any place which has been designated from time to time by resolution of such committee, and may be called by any director who is a member of such committee upon written notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of written notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time after the meeting and will be waived by any director by attendance thereat unless the director attends the meeting for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened. A majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

ARTICLE 4

OFFICERS

Section 4.1 Officers Designated.

The officers of the Corporation shall be a Chief Executive Officer, a Secretary and a Treasurer. The Board of Directors or the Chief Executive Officer may also appoint a Chairman of the Board of Directors, one or more Vice-Presidents, Assistant Secretaries, Assistant Treasurers, and such other officers and agents with such powers and duties as it or he shall deem necessary. The order of the seniority of the Vice-Presidents shall be in the order of their nomination unless otherwise determined by the Board of Directors. The Board of Directors may assign such additional titles to one or more of the officers as they shall deem appropriate. Any one person may hold any number of offices of the Corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the Corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 4.2 Tenure and Duties of Officers .

(a) **General** : All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors. Nothing in these Bylaws shall be construed as creating any kind of contractual right to employment with the Corporation.

(b) **Duties of the Chairman of the Board of Directors** : The Chairman of the Board of Directors (if there be such an officer appointed) when present shall preside at all meetings of the stockholders and the Board of Directors. The Chairman of the Board of Directors shall perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(c) **Duties of Chief Executive Officer** : The Chief Executive Officer shall be the chief executive officer of the Corporation and shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors has been appointed and is present. The Chief Executive Officer shall perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(d) **Duties of Vice-Presidents** : The Vice-Presidents may assume and perform the duties of the Chief Executive Officer in the absence or disability of the Chief Executive Officer or whenever the office of the Chief Executive Officer is vacant. The Vice-President shall perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time.

(e) **Duties of Secretary** : The Secretary shall attend all meetings of the stockholders and of the Board of Directors and any committee thereof, and shall record all acts and proceedings thereof in the minute book of the Corporation, which may be maintained in either paper or electronic form. The Secretary shall give notice, in conformity with these Bylaws, of all meetings of the stockholders and of all meetings of the Board of Directors and any Committee thereof requiring notice. The Secretary shall perform such other duties and have such other powers as the Board of Directors shall designate from time to time. The Chief Executive Officer may direct any Assistant Secretary to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time.

(f) **Duties of Treasurer** : The Treasurer shall keep or cause to be kept the books of account of the Corporation in a thorough and proper manner, and shall render statements of the financial affairs of the Corporation in such form and as often as required by the Board of Directors or the Chief Executive Officer. The Treasurer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the Corporation. The Treasurer shall perform all other duties commonly incident to his office and shall perform such

other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time. The Chief Executive Officer may direct any Assistant Treasurer to assume and perform the duties of the Treasurer in the absence or disability of the Treasurer, and each Assistant Treasurer shall perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer shall designate from time to time.

Section 4.3 Delegation of Authority.

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agents, notwithstanding any provision hereof.

ARTICLE 5

EXECUTION OF CORPORATE INSTRUMENTS, AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 5.1 Execution of Corporate Instruments.

(a) The Board of Directors may in its discretion determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except where otherwise provided by law, and such execution or signature shall be binding upon the Corporation.

(b) Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of the Corporation, promissory notes, deeds of trust, mortgages and other evidences of indebtedness of the Corporation, and other corporate instruments or documents requiring the corporate seal, and certificates of shares of stock owned by the Corporation, may be executed, signed or endorsed by the Chairman of the Board of Directors (if there be such an officer appointed), by the Chief Executive Officer or by any Vice-President, and by the Secretary or Treasurer or any Assistant Secretary or Assistant Treasurer. All other instruments and documents requiring the corporate signature but not requiring the corporate seal may be executed as aforesaid or in such other manner as may be directed by the Board of Directors.

(c) All checks and drafts drawn on banks or other depositaries on funds to the credit of the Corporation or in special accounts of the Corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

(d) Execution of any corporate instrument may be effected in such form, either manual, facsimile or electronic signature, as may be authorized by the Board of Directors.

Section 5.2 Voting of Securities Owned by Corporation.

All stock and other securities of other entities owned or held by the Corporation for itself or for other parties in any capacity shall be voted, and all proxies with respect thereto shall be

executed, by the person authorized so to do by resolution of the Board of Directors or, in the absence of such authorization, by the Chairman of the Board of Directors (if there be such an officer appointed), or by the Chief Executive Officer, or by any Vice-President.

ARTICLE 6
SHARES OF STOCK

Section 6.1 Form and Execution of Certificates.

The shares of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Certificates for the shares of stock of the Corporation shall be in such form as is consistent with the Amended and Restated Certificate of Incorporation and applicable law. Every holder of stock in the Corporation represented by a certificate shall be entitled to have a certificate signed by, or in the name of the Corporation by, the Chairman of the Board of Directors (if there be such an officer appointed), or by the Chief Executive Officer or any Vice-President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the Corporation. The Chief Executive Officer shall be deemed the President for purposes of Section 158 of the DGCL with respect to signing certificates. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Section 6.2 Lost Certificates.

The Board of Directors may direct a new certificate or certificates (or uncertificated shares in lieu of a new certificate) to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates (or uncertificated shares in lieu of a new certificate), the Board of Directors may, in its discretion and as a condition precedent to

the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to indemnify the Corporation in such manner as it shall require and/or to give the Corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost or destroyed.

Section 6.3 Transfers .

Transfers of record of shares of stock of the Corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, who shall furnish proper evidence of authority to transfer, and in the case of stock represented by a certificate, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed.

Section 6.4 Fixing Record Dates .

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may, except as otherwise required by law, fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the foregoing provisions of this Section 6.4 at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing or by electronic transmission without a meeting, the Board of Directors may, except as otherwise required by law, fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining stockholders entitled to consent to corporate action in writing or by electronic transmission without a meeting, when no prior action by the Board of Directors is required by the DGCL, shall be the first date on which a signed written consent or electronic transmission setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in Delaware, its principal place of

business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded; provided that any such electronic transmission shall satisfy the requirements of Section 2.4(d) and, unless the Board of Directors otherwise provides by resolution, no such consent by electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing or by electronic transmission without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 6.5 Registered Stockholders.

The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE 7

OTHER SECURITIES OF THE CORPORATION

All bonds, debentures and other corporate securities of the Corporation, other than stock certificates, may be signed by the Chairman of the Board of Directors (if there be such an officer appointed), or the Chief Executive Officer or any Vice-President or such other person as may be authorized by the Board of Directors and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer; provided, however, that where any such bond, debenture or other corporate security shall be authenticated by the manual signature of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signature of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such

persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the Corporation, or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon has ceased to be an officer of the Corporation before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the Corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the Corporation.

ARTICLE 8

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

Section 8.1 Right to Indemnification.

Each person who was or is a party or is threatened to be made a party to or is involved (as a party, witness, or otherwise), in any threatened, pending, or completed action, suit, investigation, or proceeding, and any appeal thereof, whether civil, criminal, administrative, arbitrative, or investigative or otherwise and/or any inquiry or investigation, whether formal or informal, conducted by the Corporation or any other party, that such person in good faith believes might lead to the institution of any such action (hereinafter a " **Proceeding** "), related to or arising out of the fact that such person, or a person of whom he is the legal representative, is or was a director or officer, or an agent with whom the Corporation has executed an indemnification agreement, or while a director or officer is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, or related to or arising out of anything done or not done by such person in any such capacity (hereinafter an " **Indemnitee** "), shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL (subject to the exceptions contained in these Bylaws and any other agreement) against any and all expenses, liability, and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties, and amounts paid or to be paid in settlement, and any interest, assessments, or other charges imposed thereon, and any federal, state, local, or foreign taxes imposed on any Indemnitee as a result of the actual or deemed receipt of any payments under this Article) (collectively, " **Liabilities** ") reasonably incurred or suffered by such person in connection with such Proceeding.

Expenses incurred by an Indemnitee in defending a Proceeding shall be paid by the Corporation in advance of the final disposition of such Proceeding, provided, however, that if required by the DGCL, or any other agreement between the Indemnitee and Corporation, such expenses shall be advanced only upon delivery to the Corporation of an undertaking by or on behalf of such Indemnitee to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Article or otherwise. Expenses incurred by other employees or agents of the Corporation may be advanced upon such terms and

conditions as the Board of Directors deems appropriate. Any obligation to reimburse the Corporation for expense advances shall be unsecured and no interest shall be charged thereon.

Section 8.2 Limits on Indemnification and Advancement.

Notwithstanding anything in these Bylaws or any other agreement to the contrary, an Indemnitee shall not be entitled pursuant to this Article (a) to indemnification or advancement in connection with any Proceeding initiated by the Indemnitee against the Corporation or any of its directors or officers unless (i) the Corporation has consented to the initiation of such Proceeding, or (ii) the proceeding is brought under Section 8.3 hereof to enforce Indemnitee's rights hereunder; or (b) to indemnification on account of any suit in which judgment is rendered against the Indemnitee pursuant to Section 16(b) of the Exchange Act for an accounting of profits made from the purchase or sale by the Indemnitee of securities of the Corporation, (c) to any amounts described in Section 8.8, or (d) to any amounts described in Section 8.12.

Section 8.3 Right of Claimant to Bring Suit.

If a claim under Section 8.1 or 8.2 of this Article is not paid in full by the Corporation within 60 days after a written demand has been made by the Indemnitee to the Corporation, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, to the fullest extent permitted by law, if successful in whole or in part, the Indemnitee shall be entitled to be paid also the expenses (including attorneys' fees) incurred in prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending a Proceeding in advance of its final disposition where the required undertaking has been tendered to the Corporation) that the Indemnitee has not met the standards of conduct that make it permissible under the DGCL for the Corporation to indemnify the Indemnitee for the amount claimed. The burden of proving such a defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification is proper under the circumstances because the Indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the Indemnitee has not met the applicable standard of conduct.

Section 8.4 Provisions Nonexclusive.

The rights conferred on any person by this Article shall not be exclusive of any other rights that such person may have or hereafter acquire under any statute, provision of the Amended and Restated Certificate of Incorporation, agreement, vote of stockholders or disinterested directors, or otherwise.

Section 8.5 Authority to Insure.

The Corporation may purchase and maintain insurance to protect itself and any person against any Liability, whether or not the Corporation would have the power to indemnify the person against such Liability under applicable law or the provisions of this Article.

Section 8.6 Enforcement of Rights.

Without the necessity of entering into an express contract, all rights provided under this Article shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the Corporation and such Indemnitee. Any rights granted by this Article to an Indemnitee shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction.

Section 8.7 Survival of Rights.

The rights provided by this Article shall continue as to a person who has ceased to be an Indemnitee and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 8.8 Settlement of Claims.

The Corporation shall not be liable to indemnify any Indemnitee under this Article (a) for any amounts paid in settlement of any action or claim effected without the Corporation's written consent, which consent shall not be unreasonably withheld; or (b) for any judicial award if the Corporation was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action.

Section 8.9 Effect of Amendment.

Any amendment, alteration or repeal of this Article VIII that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit, eliminate, or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

Section 8.10 Primacy of Indemnification.

Notwithstanding that an Indemnitee may have certain rights to indemnification, advancement of expenses and/or insurance provided by other persons (collectively, the " **Other Indemnitors** "), the Corporation: (i) shall be the indemnitor of first resort (i.e., its obligations to an Indemnitee are primary and any obligation of the Other Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Indemnitee are secondary); and (ii) shall be required to advance the full amount of expenses incurred by an Indemnitee and shall be liable for the full amount of all Liabilities, without regard to any rights such Indemnitee may have against any of the Other Indemnitors. No advancement or payment by the Other Indemnitors on behalf of an Indemnitee with respect to any claim for which such Indemnitee has sought indemnification from the Corporation shall affect the immediately

preceding sentence, and the Other Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Indemnitee against the Corporation.

Section 8.11 Subrogation.

In the event of payment under this Article, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee (other than against the Other Indemnitors), who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation effectively to bring suit to enforce such rights.

Section 8.12 No Duplication of Payments.

Except as otherwise set forth in Section 8.11 above, the Corporation shall not be liable under this Article to make any payment in connection with any claim made against the Indemnitee to the extent the Indemnitee has otherwise actually received payment (under any insurance policy, agreement, vote, or otherwise) of the amounts otherwise indemnifiable hereunder.

Section 8.13 Saving Clause.

If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Indemnitee to the fullest extent not prohibited by any applicable portion of this Article that shall not have been invalidated, or by any other applicable law.

ARTICLE 9

NOTICES

Whenever, under any provisions of these Bylaws, notice is required to be given to any stockholder, the same shall be given either (1) in writing, timely and duly deposited in the United States Mail, postage prepaid, and addressed to his last known post office address as shown by the stock record of the Corporation, or (2) by a means of electronic transmission that satisfies the requirements of Section 2.4(d) of these Bylaws, and has been consented to by the stockholder to whom the notice is given. An affidavit of mailing, executed by a duly authorized and competent employee of the Corporation or its transfer agent appointed with respect to the class of stock affected, specifying the name and address or the names and addresses of the stockholder or stockholders, director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall be prima facie evidence of the statements therein contained. All notices given by mail, as above provided, shall be deemed to have been given as at the time of mailing and all notices given by means of electronic transmission shall be deemed to have been given as at the sending time recorded by the electronic transmission equipment operator transmitting the same. It shall not be necessary that the same method of giving notice be employed in respect of all directors, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of

any other or others. Whenever any notice is required to be given under the provisions of the statutes or of the Amended and Restated Certificate of Incorporation, or of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Whenever notice is required to be given, under any provision of law or of the Amended and Restated Certificate of Incorporation or Bylaws of the Corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

ARTICLE 10

AMENDMENTS

Except as otherwise provided in Section 8.9 above, these Bylaws may be repealed, altered or amended or new Bylaws adopted (i) by the Board of Directors by unanimous written consent or at any annual, regular, or special meeting by the affirmative vote of a majority of the Whole Board or (ii) in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by the Amended and Restated Certificate of Incorporation, by the affirmative vote of holders of at least sixty-six and two-thirds percent ($66\frac{2}{3}\%$) of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote thereon, voting together as a class, unless a larger vote is required by these Bylaws or the Amended and Restated Certificate of Incorporation.

ARTICLE 11

SEVERABILITY

If any provision or provisions of these Bylaws shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of these Bylaws (including, without limitation, each portion of any sentence of these Bylaws containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

Exhibit 10.8

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this " Agreement ") is made as of October 1, 2013, among RE/MAX Holdings, Inc., a Delaware corporation (the " Company "), RIHI, Inc., a Delaware corporation (" RIHI ") and each Person listed on the Schedule of Other Investors attached hereto and each other Person that acquires Common Stock from the Company after the date hereof and becomes a party to this Agreement by the execution and delivery of a Joinder (collectively, the " Other Investors ").

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

Section 1. Definitions. Unless otherwise set forth below or elsewhere in this Agreement, other capitalized terms contained herein have the meanings set forth in the LLC Agreement.

" Acquired Common " has the meaning set forth in Section 9 .

" Agreement " has the meaning set forth in the recitals.

" Capital Stock " means (i) with respect to any Person that is a corporation, any and all shares, interests or equivalents in capital stock of such corporation (whether voting or nonvoting and whether common or preferred) including shares of Common Stock and (ii) with respect to any Person that is not a corporation, individual or governmental entity, any and all partnership, membership, limited liability company or other equity interests of such Person that confer on the holder thereof the right to receive a share of the profits and losses of, or the distribution of assets of the issuing Person, including in each case any and all warrants, rights (including conversion and exchange rights) and options to purchase any of the foregoing.

" Common Stock " means the Company's Class A Common Stock, par value $0.0001 per share, and shall include shares of such Common Stock issued or issuable to RIHI pursuant to the exercise by RIHI of its rights to redeem Units as set forth in the LLC Agreement.

" Company " has the meaning set forth in the preamble.

" Demand Registrations " has the meaning set forth in Section 2(a) .

" Exchange Act " means the Securities Exchange Act of 1934, as amended from time to time, or any successor federal law then in force, together with all rules and regulations promulgated thereunder.

" FINRA " means the Financial Industry Regulatory Authority.

" Free Writing Prospectus " means a free-writing prospectus, as defined in Rule 405.

" Holdback Period " has the meaning set forth in Section 4(a) .

" Indemnified Parties " has the meaning set forth in Section 7(a) .

" Joinder " has the meaning set forth in Section 9 .

" LLC Agreement " means that certain Fourth Amended and Restated Limited Liability Company Agreement of RMCO, LLC, dated as of October 1, 2013.

" Long-Form Registrations " has the meaning set forth in Section 2(a) .

" Other Investors " has the meaning set forth in the recitals.

" Piggyback Registrations " has the meaning set forth in Section 3(a) .

" Public Offering " means any sale or distribution by the Company and/or holders of Registrable Securities to the public of Common Stock pursuant to an offering registered under the Securities Act.

" Registrable Securities " means (i) any Common Stock issued pursuant to the LLC Agreement to RIHI or any of its respective Affiliates, (ii) any common Capital Stock of the Company or any Subsidiary of the Company issued or issuable with respect to the securities referred to in clause (i) above by way of dividend, distribution, split or combination of securities, or any recapitalization, merger, consolidation or other reorganization, and (iii) any other Common Stock held by Persons holding securities described in clauses (i) or (ii) above. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when they have been (a) sold or distributed pursuant to a Public Offering, (b) sold in compliance with Rule 144 following the consummation of the Company's initial Public Offering, or (c) repurchased by the Company or a Subsidiary of the Company. For purposes of this Agreement, a Person shall be deemed to be a holder of Registrable Securities, and the Registrable Securities shall be deemed to be in existence, whenever such Person has the right to acquire, directly or indirectly, such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such Person shall be entitled to exercise the rights of a holder of Registrable Securities hereunder; provided a holder of Registrable Securities may only request that Registrable Securities in the form of Common Stock be registered pursuant to this Agreement.

" Registration Expenses " has the meaning set forth in Section 6(a) .

" Reorganization Transactions " means the reorganization transactions to be completed in connection with the consummation of the Company's initial Public Offering.

" Rule 144, " " Rule 158 ," " Rule 405 ," " Rule 415 " and " Rule 462 " mean, in each case, such rule promulgated under the Securities Act (or any successor provision) by the Securities and Exchange Commission, as the same shall be amended from time to time, or any successor rule then in force.

" Sale of the Company " means a sale of all or substantially all of the Company's assets determined on a consolidated basis or a sale of (i) a majority of the Company's outstanding Units (calculated based on Participating Units) or (ii) a majority of the outstanding voting securities of any Subsidiary of the Company; in either case, whether by merger, recapitalization, consolidation, reorganization, combination or otherwise), provided that neither (a) a transaction solely for the purpose of changing the jurisdiction of domicile of the Company, nor (b) a transaction solely for the purpose of changing the form of entity of the Company, shall constitute a Sale of the Company.

" Sale Transaction " has the meaning set forth in Section 4(a) .

" Securities " has the meaning set forth in Section 4(a) .

" Securities Act " means the Securities Act of 1933, as amended from time to time, or any successor federal law then in force, together with all rules and regulations promulgated thereunder.

" Shelf Registration " has the meaning set forth in Section 2(c) .

" Short-Form Registrations " has the meaning set forth in Section 2(a) .

" Suspension Period " has the meaning set forth in Section 5(a)(vi) .

" Violation " has the meaning set forth in Section 7(a) .

" WKSI " means a "well-known seasoned issuer" as defined under Rule 405.

Section 2. Demand Registrations .

(a) Requests for Registration. Subject to the terms and conditions of this Agreement, at any time after the Company has completed an initial Public Offering of its Common Stock, the holders of at least 51% of the Registrable Securities may request registration under the Securities Act of all or any portion of their Registrable Securities on Form S-1 or any similar long-form registration (" Long-Form Registrations "), and the holders of at least 51% of the Registrable Securities may request registration under the Securities Act of all or any portion of their Registrable Securities on Form S-3 (including pursuant to Rule 415) or any similar short-form registration (" Short-Form Registrations ") if available. All registrations requested pursuant to this Section 2 are referred to herein as " Demand Registrations ."

(b) Long-Form Registrations. The holders of the Registrable Securities shall each be entitled to request two (2) Long-Form Registrations in which the Company shall pay all Registration Expenses. A registration shall not count as one of the permitted Long-Form Registrations until (i) at least 75% of the Registrable Securities requested to be included in such registration by the requesting holders have been registered and (ii) such registration has become effective in accordance with the Securities Act and all applicable rules and regulations promulgated thereunder. All Long-Form Registrations shall be underwritten registrations unless otherwise approved by the holders of a majority of the Registrable Securities requesting registration. Notwithstanding the foregoing, if a Long-Form Registration is withdrawn by the

holders of Registrable Securities who requested such registration prior to the time it has become effective for reasons other than the disclosure of information concerning the Company that is materially adverse to the Company or the trading price of the Common Stock (which disclosure is made by the Company after the date that such registration is requested pursuant to Section 2(a)), such Long-Form Registration shall count as one of the permitted Long-Form Registrations hereunder unless the holders of Registrable Securities who requested such registration reimburse the Company for all of the Registration Expenses incurred by the Company prior to such withdrawal.

(c) Short-Form Registrations. In addition to the Long-Form Registrations provided pursuant to Section 2(b) , the holders of the Registrable Securities shall each be entitled to request an unlimited number of Short-Form Registrations in which the Company shall pay all Registration Expenses. Demand Registrations shall be Short-Form Registrations whenever the Company is permitted to use any applicable short form and if the managing underwriters (if any) agree to the use of a Short-Form Registration. After the Company has become subject to the reporting requirements of the Exchange Act, the Company shall use its reasonable best efforts to make Short-Form Registrations available for the sale of Registrable Securities. If the holders of a majority of the Registrable Securities request that a Short-Form Registration be filed pursuant to Rule 415 (a " Shelf Registration ") and the Company is qualified to do so, the Company shall use its reasonable best efforts to cause the Shelf Registration to be declared effective under the Securities Act as soon as practicable after filing, and once effective, the Company shall cause the Shelf Registration to remain effective for a period ending on the earlier of (i) the date on which all Registrable Securities included in such registration have been sold or distributed pursuant to the Shelf Registration or (ii) the date as of which all of the Registrable Securities included in such registration are able to be sold without limitation or restriction within a three-month period in compliance with Rule 144. If thereafter for any reason the Company ceases to be a WKSI or becomes ineligible to utilize Form S-3, the Company shall prepare and file with the Securities and Exchange Commission a registration statement or registration statements on such form that is available for the sale of Registrable Securities.

(d) Priority on Demand Registrations. The Company shall not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the holders of at least 51% of the Registrable Securities. If a Demand Registration is an underwritten offering and the managing underwriters advise the Company in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such offering exceeds the number of Registrable Securities and other securities, if any, which can be sold therein without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company shall include in such registration prior to the inclusion of any securities which are not Registrable Securities the number of Registrable Securities requested to be included which, in the opinion of such underwriters, can be sold, without any such adverse effect, pro rata among the respective holders thereof on the basis of the amount of Registrable Securities owned by each such holder.

(e) Procedures and Restrictions on Demand Registrations. Each request for a Demand Registration shall specify the approximate number of Registrable Securities requested to be registered and the intended method of distribution. Within ten days after receipt of any such request, the Company shall give written notice of the Demand Registration to all other holders of

Registrable Securities and, subject to the terms of Section 2(d) , shall include in such Demand Registration (and in all related registrations and qualifications under state blue sky laws and in any related underwriting) all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice. The Company shall not be obligated to effect any Demand Registration, including any Shelf Registration, if (i) the holders of Registrable Securities, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than $5,000,000 or (ii) within 180 days after the effective date of a previous Demand Registration or a previous registration in which Registrable Securities were included pursuant to Section 3 and in which there was no reduction in the number of Registrable Securities requested to be included. The Company may postpone, for up to 90 days from the date of the request, the filing or the effectiveness of a registration statement for a Demand Registration, if the Company's board of directors determines in its reasonable good faith judgment that not postponing such Demand Registration (i) would interfere with a material corporate transaction or (ii) would require the disclosure of material non-public information concerning the Company that at the time is not, in the reasonable good faith judgment of the Company's board of directors, in the best interest of the Company to disclose and is not, in the opinion of the Company's legal counsel, otherwise required to be disclosed. In the event that the Company exercises its right to postpone a Demand Registration pursuant to the preceding sentence, the holders of Registrable Securities initially requesting such Demand Registration shall be entitled to withdraw such request, and if such request is withdrawn, such Demand Registration shall not count as one of the permitted Demand Registrations hereunder and the Company shall pay all Registration Expenses in connection with such registration.

(f) Selection of Underwriters. The holders of a majority of the Registrable Securities included in any Demand Registration shall have the right to select the investment banker(s) and manager(s) to administer the offering; provided that the consent of the Company shall be required for the selection of the investment banker(s) and manager(s) to administer the offering.

(g) Other Registration Rights. The Company represents and warrants that it is not a party to, or otherwise subject to, any other agreement granting registration rights to any other Person with respect to any securities of the Company. Except as provided in this Agreement, the Company shall not grant to any Persons the right to request the Company or any Subsidiary to register any Capital Stock of the Company or any Subsidiary, or any securities convertible or exchangeable into or exercisable for such securities, without the prior written consent of the holders of at least 51% of the Registrable Securities; provided that the Company may grant rights to other Persons to (i) participate in Piggyback Registrations so long as such rights are subordinate in all respects to the rights of the holders of Registrable Securities with respect to such Piggyback Registrations as set forth in Section 3(c) and Section 3(d) and (ii) request registrations so long as the holders of Registrable Securities are entitled to participate in any such registrations with such Persons pro rata on the basis of the number of shares owned by each such holder.

Section 3. Piggyback Registrations .

(a) Right to Piggyback. Whenever the Company proposes to register any of its securities under the Securities Act (other than (i) pursuant to a Demand Registration, or (ii) in connection with registrations on Form S-4 or S-8 promulgated by the Securities and Exchange Commission or any successor or similar forms) and the registration form to be used may be used for the registration of Registrable Securities (a " Piggyback Registration "), the Company shall give prompt written notice to all holders of Registrable Securities of its intention to effect such Piggyback Registration and, subject to the terms of Section 3(c) and Section 3(d) , shall include in such Piggyback Registration (and in all related registrations or qualifications under blue sky laws and in any related underwriting) all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 20 days after delivery of the Company's notice.

(b) Piggyback Expenses. The Registration Expenses of the holders of Registrable Securities shall be paid by the Company in all Piggyback Registrations, whether or not any such registration became effective.

(c) Priority on Primary Registrations. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company shall include in such registration (i) first, the securities the Company proposes to sell, (ii) second, the Registrable Securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect, pro rata among the holders of such Registrable Securities on the basis of the number of shares owned by each such holder, and (iii) third, other securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect.

(d) Priority on Secondary Registrations. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's securities, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company shall include in such registration (i) first, the securities requested to be included therein by the holders requesting such registration which, in the opinion of the underwriters, can be sold without any such adverse effect, (ii) second, the Registrable Securities requested to be included in such registration, pro rata among the holders of such Registrable Securities on the basis of the number of shares owned by each such holder which, in the opinion of the underwriters, can be sold without any such adverse effect and (iii) third, other securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect.

Section 4. Holdback Agreements .

(a) Holders of Registrable Securities. If requested by the Company, each holder of Registrable Securities participating in an underwritten Public Offering (for purposes of this Section 4(a) , the words "Common Stock" in the definition of "Public Offering" shall be replaced with the words "Capital Stock of the Company") shall enter into lock-up agreements with the managing underwriter(s) of such Public Offering in such form as agreed to by the holders of the Registrable Securities participating in such Public Offering. In addition to any such lock-up agreement, each holder of Registrable Securities agrees as follows:

(i) In connection with any underwritten Public Offering and without the prior written consent of the underwriters managing such Public Offering, such holder shall not, for a period ending 180 days in the case of the Company 's initial Public Offering, or for a period of 90 days after in the case of all underwritten Public Offerings other than the initial Public Offering, following the date of the final prospectus (the " Holdback Period ") relating to such Public Offering, (A) offer, pledge, sell, contract, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Capital Stock beneficially owned (as such term is used in Rule 13d-3 of the Exchange Act), by such holder or any other securities so owned convertible into or exercisable or exchangeable for Capital Stock or (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of owning Capital Stock, whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Capital Stock or such other securities, in cash or otherwise (each such transaction, a " Sale Transaction ").

(ii) The foregoing clause (i) shall not apply to (A) the sale of Capital Stock pursuant to the terms of the underwriting agreement entered into in connection with such underwritten Public Offering or the transfer or redemption of RMCO LLC securities pursuant to the Reorganization Transactions, or (B) transactions relating to shares of Capital Stock or other securities acquired in open market transactions after the completion of the Public Offering, provided that no filing under Section 16(a) of the Exchange Act shall be required or shall be voluntarily made in connection with transfers or dispositions of such shares of Capital Stock or other securities acquired in such open market transactions (other than a filing on Form 5 made after the expiration of the Holdback Period), or (C) transfers of Capital Stock or any security convertible into Capital Stock to the spouse, domestic partner, parent, sibling, child or grandchild (each an " immediate family member ") of such holder or to a trust formed for the benefit of such holder or of an immediate family member of the undersigned, or (D) transfers of Capital Stock or any security convertible into Capital Stock as a bona fide gift, or (E) distributions of shares of Capital Stock or any security convertible into Capital Stock to limited partners, members, stockholders or affiliates of the undersigned or to any investment fund or other entity controlled or managed by, or under common control or management with, such holder, or (F) as a distribution by a trust to its beneficiaries, provided that in the case of any transfer or distribution pursuant to clause (C), (D), (E) or (F), (1) each donee or distributee shall sign and deliver a lock-up agreement substantially in the form of the lock-up agreement entered into by such holder and (2) no such transfer

or distribution in (C), (D), (E) or (F) shall be permitted if it shall require a filing under Section 16(a) or Section 13(d) of the Exchange Act, reporting a reduction in beneficial ownership of shares of Capital Stock, and no such filing under Section 16(a) or Section 13(d) of the Exchange Act shall be voluntarily made during the Holdback Period, or (G) the receipt by the undersigned from the Company of Capital Stock upon a vesting event of Capital Stock or rights to acquire Capital stock pursuant to the Company's equity incentive plans or the exercise by such holder of options to purchase Capital Stock issued pursuant to the Company's equity incentive plans (including, in each case, by way of net exercise, but for the avoidance of doubt, excluding all manners of exercise that would involve a sale of any securities relating to such options, whether to cover the applicable aggregate exercise price, withholding tax obligations or otherwise), provided that (1) any securities received upon such vesting event or exercise will also be subject to the terms of such holder's lock-up agreement and (2) no such vesting event or exercise shall be permitted if it shall require a filing under Section 16(a) or Section 13(d) of the Exchange Act, reporting a reduction in beneficial ownership of shares of Capital Stock, and no such filing under Section 16(a) or Section 13(d) of the Exchange Act shall be voluntarily made during the Holdback Period in connection with such vesting event or exercise, or (H) transfers of Capital Stock or any securities convertible into or exercisable or exchangeable for Capital Stock to the Company, pursuant to agreements under which the Company has the option to repurchase such shares or securities or a right of first refusal with respect to transfers of such shares or securities, provided that unless such transfers are pursuant to the Company's option to repurchase in the event such holder is terminated or resigns as an employee of the Company, no transfer shall be permitted if it shall require a filing under Section 16(a) or Section 13(d) of the Exchange Act, reporting a reduction in beneficial ownership of shares of Capital Stock, and no such filing under Section 16(a) or Section 13(d) of the Exchange Act shall be voluntarily made during the Holdback Period in connection with such transfer (other than a filing on Form 5 pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Capital Stock, provided that (1) such plan does not provide for the transfer of Capital Stock during the Holdback Period and (2) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on behalf of such holder or the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of Capital Stock may be made under such plan during the Holdback Period.

The Company may impose stop-transfer instructions with respect to the shares of Capital Stock (or other securities) subject to the restrictions set forth in this Section 4(a) until the end of such period.

(b) The Company. In the event of any Holdback Period occurring in connection with the exercise by a party to this Agreement of its registration rights with respect to Registrable Securities pursuant to Section 2 , the Company (i) shall not file any registration statement for a Public Offering or cause any such registration statement to become effective (for purposes of this Section 4(b) , the words "Common Stock" in the definition of "Public Offering" shall be replaced with the words "Capital Stock of the Company") during any Holdback Period, and (ii) shall use its reasonable best efforts to cause (A) each holder of at least 5% (on a fully-diluted basis) of its Capital Stock, or any securities convertible into or exchangeable or

exercisable for Capital Stock, purchased from the Company at any time after the date of this Agreement (other than in a Public Offering) and (B) each of its directors and executive officers to agree not to effect any Sale Transaction during any Holdback Period, except as part of such underwritten registration, if otherwise permitted, unless the underwriters managing the Public Offering otherwise agree in writing.

(c) The foregoing limitations of this Section 4 shall not apply to a registration in connection with an employee benefit plan or in connection with any type of acquisition transaction or exchange offer.

Section 5. Registration Procedures .

(a) Whenever the holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use its reasonable best efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

(i) in accordance with the Securities Act and all applicable rules and regulations promulgated thereunder, prepare and file with the Securities and Exchange Commission a registration statement, and all amendments and supplements thereto and related prospectuses, with respect to such Registrable Securities and use its reasonable best efforts to cause such registration statement to become effective (provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the counsel selected by the holders of a majority of the Registrable Securities covered by such registration statement copies of all such documents proposed to be filed, which documents shall be subject to the review and comment of such counsel);

(ii) notify each holder of Registrable Securities of (A) the issuance by the Securities and Exchange Commission of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose, (B) the receipt by the Company or its counsel of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose and (C) the effectiveness of each registration statement filed hereunder;

(iii) prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period ending when all of the securities covered by such registration statement have been disposed of in accordance with the intended methods of distribution by the sellers thereof set forth in such registration statement (but in any event not before the expiration of any longer period required under the Securities Act or, if such registration statement relates to an underwritten Public Offering, such longer period as in the opinion of counsel for the underwriters a prospectus is required by law to be delivered in connection with sale of Registrable Securities by an underwriter or dealer) and comply with the provisions

of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(iv) furnish to each seller of Registrable Securities thereunder such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus), each Free Writing Prospectus and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

(v) use its reasonable best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company shall not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph or (B) consent to general service of process in any such jurisdiction);

(vi) notify each seller of such Registrable Securities (A) promptly after it receives notice thereof, of the date and time when such registration statement and each post-effective amendment thereto has become effective or a prospectus or supplement to any prospectus relating to a registration statement has been filed and when any registration or qualification has become effective under a state securities or blue sky law or any exemption thereunder has been obtained; (B) promptly after receipt thereof, of any request by the Securities and Exchange Commission for the amendment or supplementing of such registration statement or prospectus or for additional information and (C) at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, at the request of any such seller, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading; provided that at any time, upon written notice to the participating holders of Registrable Securities the Company may delay the filing or effectiveness of any registration statement or suspend the use or effectiveness of any registration statement (the " Suspension Period ") (and the holders of Registrable Securities hereby agree not to offer or sell any Registrable Securities pursuant to such registration statement during the Suspension Period) if the Company determines in its reasonable good faith judgment that postponement of such Demand Registration would be in the best interest of the Company including where the Demand Registration might require disclosure of any matter such as a potential business transaction or other matter; provided , that the Company may only exercise its right to institute a Suspension Period twice in any calendar year and for no more than 120 days in the aggregate in any calendar year;

(vii) use reasonable best efforts to cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed and, if not so listed, to be listed on a securities exchange and, without limiting the generality of the foregoing, to arrange for at least two market markers to register as such with respect to such Registrable Securities with FINRA;

(viii) use reasonable best efforts to provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(ix) enter into and perform a customary underwriting agreement;

(x) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate and business documents and properties of the Company as shall be necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors, employees, agents, representatives and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

(xi) take all reasonable actions to ensure that any Free-Writing Prospectus utilized in connection with any Demand Registration or Piggyback Registration hereunder complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, shall not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(xii) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the Securities and Exchange Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158;

(xiii) permit any holder of Registrable Securities which holder, in its sole and exclusive judgment, might be deemed to be an underwriter or a controlling person of the Company, to participate in the preparation of such registration or comparable statement and to allow such holder to propose language for insertion therein, in form and substance satisfactory to the Company, which in the reasonable judgment of such holder and its counsel should be included;

(xiv) in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or the issuance of any order suspending or preventing the use of any related prospectus or suspending the qualification of any Common Stock included in such registration statement for sale in any jurisdiction use reasonable best efforts promptly to obtain the withdrawal of such order;

(xv) use its reasonable best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities;

(xvi) cooperate with the holders of Registrable Securities covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement and enable such securities to be in such denominations and registered in such names as the managing underwriter, or agent, if any, or such holders may request;

(xvii) cooperate with each holder of Registrable Securities covered by the registration statement and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA;

(xviii) use its reasonable best efforts to make available the executive officers of the Company to participate with the holders of Registrable Securities and any underwriters in any “road shows” or other selling efforts that may be reasonably requested by the holders in connection with the methods of distribution for the Registrable Securities;

(xix) use its reasonable best efforts to obtain one or more cold comfort letters from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters; and

(xx) use its reasonable best efforts to provide a legal opinion of the Company's outside counsel in customary form and covering such matters of the type customarily covered by such legal opinion, dated the effective date of such registration statement.

(b) The Company shall not undertake any voluntary act that could be reasonably expected to cause a Violation or result in delay or suspension under Section 5(a)(vi) . During any Suspension Period, and as may be extended hereunder, the Company shall use its reasonable best efforts to correct or update any disclosure causing the Company to provide notice of the Suspension Period and to file and cause to become effective or terminate the suspension of use or effectiveness, as the case may be, the subject registration statement. In the event that the Company shall exercise its right to delay or suspend the filing or effectiveness of a registration hereunder, the applicable time period during which the registration statement is to remain effective shall be extended by a period of time equal to the duration of the Suspension

Period. The Company may extend the Suspension Period for an additional consecutive 60 days with the consent of the holders of a majority of the Registrable Securities registered under the applicable registration statement, which consent shall not be unreasonably withheld. If so directed by the Company, all holders of Registrable Securities registering shares under such registration statement shall (i) not offer to sell any Registrable Securities pursuant to the registration statement during the period in which the delay or suspension is in effect after receiving notice of such delay or suspension and (ii) use their reasonable best efforts to deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such holders' possession, of the prospectus relating to such Registrable Securities current at the time of receipt of such notice.

Section 6. Registration Expenses .

(a) The Company's Obligation. All expenses incident to the Company's performance of or compliance with this Agreement (including, without limitation, all registration, qualification and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, fees and disbursements of custodians, and fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters (excluding underwriting discounts and commissions) and other Persons retained by the Company) (all such expenses being herein called " Registration Expenses"), shall be borne as provided in this Agreement, except that the Company shall, in any event, pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review and the expenses and fees for listing the securities to be registered on each securities exchange on which similar securities issued by the Company are then listed. Each Person that sells securities pursuant to a Demand Registration or Piggyback Registration hereunder shall bear and pay all underwriting discounts and commissions applicable to the securities sold for such Person's account.

(b) Counsel Fees and Disbursements. In connection with each Demand Registration and each Piggyback Registration, the Company shall reimburse the holders of Registrable Securities included in such registration for the reasonable fees and disbursements of one counsel chosen by the holders of a majority of the Registrable Securities included in such registration.

(c) Security Holders. To the extent Registration Expenses are not required to be paid by the Company, each holder of securities included in any registration hereunder shall pay those Registration Expenses allocable to the registration of such holder's securities so included, and any Registration Expenses not so allocable shall be borne by all sellers of securities included in such registration in proportion to the aggregate selling price of the securities to be so registered.

Section 7. Indemnification and Contribution .

(a) By the Company. The Company shall indemnify and hold harmless, to the extent permitted by law, each holder of Registrable Securities, such holder's officers, directors employees, agents and representatives, and each Person who controls such holder (within the

meaning of the Securities Act) (the " Indemnified Parties ") against all losses, claims, actions, damages, liabilities and expenses (including with respect to actions or proceedings, whether commenced or threatened, and including reasonable attorney fees and expenses) caused by, resulting from, arising out of, based upon or related to any of the following statements, omissions or violations (each a " Violation ") by the Company: (i) any untrue or alleged untrue statement of material fact contained in (a) any registration statement, prospectus, preliminary prospectus or Free-Writing Prospectus, or any amendment thereof or supplement thereto or (b) any application or other document or communication (in this Section 7 , collectively called an " application ") executed by or on behalf of the Company or based upon written information furnished by or on behalf of the Company filed in any jurisdiction in order to qualify any securities covered by such registration under the securities laws thereof; (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading or (iii) any violation or alleged violation by the Company of the Securities Act or any other similar federal or state securities laws or any rule or regulation promulgated thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification or compliance. In addition, the Company will reimburse such Indemnified Party for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such losses. Notwithstanding the foregoing, the Company shall not be liable in any such case to the extent that any such losses result from, arise out of, are based upon, or relate to an untrue statement or alleged untrue statement, or omission or alleged omission, made in such registration statement, any such prospectus, preliminary prospectus or Free-Writing Prospectus or any amendment or supplement thereto, or in any application, in reliance upon, and in conformity with, written information prepared and furnished in writing to the Company by such Indemnified Party expressly for use therein or by such Indemnified Party's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such Indemnified Party with a sufficient number of copies of the same. In connection with an underwritten offering, the Company shall indemnify such underwriters, their officers and directors, and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Indemnified Parties.

(b) By Each Security Holder. In connection with any registration statement in which a holder of Registrable Securities is participating, each such holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, shall indemnify the Company, its officers, directors, employees, agents and representatives, and each Person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses resulting from any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such holder; provided that the obligation to indemnify shall be individual, not joint and several, for each holder and shall be limited to the net amount of proceeds (before taxes) received by such holder from the sale of Registrable Securities pursuant to such registration statement.

(c) Claim Procedure. Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall impair any Person's right to indemnification hereunder only to the extent such failure has prejudiced the indemnifying party) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld, conditioned or delayed). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. In such instance, the conflicted indemnified parties shall each have a right to retain one separate counsel, in each instance chosen by the holders of a majority of the Registrable Securities of the indemnified party included in the registration if such holders are indemnified parties, at the expense of the indemnifying party.

(d) Contribution. If the indemnification provided for in this Section 7 is held by a court of competent jurisdiction to be unavailable to, or is insufficient to hold harmless, an indemnified party or is otherwise unenforceable with respect to any loss, claim, damage, liability or action referred to herein, then the indemnifying party in lieu of indemnifying such indemnified party hereunder shall contribute to the amounts paid or payable by such indemnified party as a result of such loss, claim, damage, liability or action in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such loss, claim, damage, liability or action as well as any other relevant equitable considerations; provided that the maximum amount of liability in respect of such contribution shall be limited, in the case of each seller of Registrable Securities, to an amount equal to the net proceeds actually received by such seller from the sale of Registrable Securities effected pursuant to such registration. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if the contribution pursuant to this Section 7(d) were to be determined by pro rata allocation or by any other method of allocation that does not take into account such equitable considerations. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or expenses referred to herein shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending against any action or claim which is the subject hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(t) of the Securities Act) shall be entitled to contribution from any Person who is not guilty of such fraudulent misrepresentation.

(e) Release. No indemnifying party shall, except with the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation. Notwithstanding anything to the contrary in this Section 7 , an indemnifying party shall not be liable for any amounts paid in settlement of any loss, claim, damage, liability, or action if such settlement is effected without the consent of the indemnifying party, such consent not to be unreasonably withheld, conditioned or delayed.

(f) Non -exclusive Remedy: Survival. The indemnification and contribution provided for under this Agreement shall be in addition to any other rights to indemnification or contribution that any indemnified party may have pursuant to law or contract and shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of Registrable Securities and the termination or expiration of this Agreement. Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

Section 8. Underwritten Registrations .

(a) Participation. No Person may participate in any registration hereunder which is underwritten unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements (including, without limitation, pursuant to any over-allotment or “green shoe” option requested by the underwriters; provided that no holder of Registrable Securities shall be required to sell more than the number of Registrable Securities such holder has requested to include) and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

(b) Suspended Distributions. Each Person that is participating in any registration under this Agreement, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 5(a)(vi), shall immediately discontinue the disposition of its Registrable Securities pursuant to the registration statement until such Person's receipt of the copies of a supplemented or amended prospectus as contemplated by Section 5(a)(vi). In the event the Company has given any such notice, the applicable time period set forth in Section 5 (a)(ii) during which a Registration Statement is to remain effective shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to this Section 8(b) to and including the date when each seller of Registrable Securities covered by such registration statement shall have received the copies of the supplemented or amended prospectus contemplated by Section 5(a)(vi) .

Section 9. Additional Parties: Joinder. Subject to the prior written consent of the holders of a majority of the Registrable Securities, the Company may require any Person who acquires common stock of the Company or rights to acquire common stock of the Company from

the Company after the date hereof to become a party to this Agreement and to succeed to all of the rights and obligations of a "holder of Registrable Securities" under this Agreement by obtaining an executed joinder to this Agreement from such Person in the form of Exhibit A attached hereto (a " Joinder "). Upon the execution and delivery of a Joinder by such Person, the common stock of the Company acquired by such Person (the " Acquired Common ") shall be Registrable Securities, such Person shall be a "holder of Registrable Securities" under this Agreement with respect to the Acquired Common, and the Company shall add such Person's name and address to the appropriate schedule hereto and circulate such information to the parties to this Agreement.

Section 10. Current Public Information. At all times after the Company has filed a registration statement with the Securities and Exchange Commission pursuant to the requirements of either the Securities Act or the Exchange Act, the Company shall file all reports required to be filed by it under the Securities Act and the Exchange Act and shall take such further action as any holder or holders of Registrable Securities may reasonably request, all to the extent required to enable such holders to sell Registrable Securities pursuant to Rule 144. Upon request, the Company shall deliver to any holder of Restricted Securities a written statement as to whether it has complied with such requirements.

Section 11. Subsidiary Public Offering. If, after an initial Public Offering of the Capital Stock of one of its Subsidiaries, the Company distributes securities of such Subsidiary to its equity holders, then the rights and obligations of the Company pursuant to this Agreement shall apply, mutatis mutandis, to such Subsidiary, and the Company shall cause such Subsidiary to comply with such Subsidiary's obligations under this Agreement.

Section 12. Transfer of Registrable Securities .

(a) Restrictions on Transfers. Notwithstanding anything to the contrary contained herein, except in the case of (i) a transfer to the Company, (ii) a transfer by RIHI or any Other Investor to its limited partners or members, (iii) a Public Offering, (iv) a sale pursuant to Rule 144 after the completion of the Company's initial Public Offering or (v) a transfer in connection with a Sale of the Company, prior to transferring any Registrable Securities to any Person (including, without limitation, by operation of law), the transferring holder shall cause the prospective transferee to execute and deliver to the Company a joinder to this Agreement from such transferee in the form of Exhibit A attached hereto (a " Joinder ") agreeing to be bound by the terms of this Agreement. Any transfer or attempted transfer of any Registrable Securities in violation of any provision of this Agreement shall be void, and the Company shall not record such transfer on its books or treat any purported transferee of such Registrable Securities as the owner thereof for any purpose.

(b) Legend. Each certificate evidencing any Registrable Securities and each certificate issued in exchange for or upon the transfer of any Registrable Securities (unless such Registrable Securities would no longer be Registrable Securities after such transfer) shall be stamped or otherwise imprinted with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND

OTHER PROVISIONS SET FORTH IN A REGISTRATION RIGHTS AGREEMENT DATED AS OF _____ AMONG THE ISSUER OF SUCH SECURITIES (THE "COMPANY") AND CERTAIN OF THE COMPANY'S STOCKHOLDERS, AS AMENDED. A COPY OF SUCH REGISTRATION RIGHTS AGREEMENT WILL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST."

The Company shall imprint such legend on certificates evidencing Registrable Securities outstanding prior to the date hereof. The legend set forth above shall be removed from the certificates evidencing any securities that have ceased to be Registrable Securities.

Section 13. General Provisions .

(a) Termination. Except with respect to the indemnification and contribution provisions contained in Section 7 , the rights granted to RIHI or to any Other Investor pursuant to this Agreement shall terminate and forthwith become null and void in full on the earliest to occur of (i) the date on which RIHI or such Other Investor and its respective Affiliates cease to beneficially own any Common Stock or Capital Stock of the Company then outstanding and (ii) the later of (x) the seventh anniversary of the date of this Agreement, and (y) the date Rule 144 or another similar exemption under the Securities Act is available for the sale of all of the shares beneficially owned by RIHI or such Other Investor and its respective Affiliates without limitation and restriction during a three-month period without registration.

(b) Amendments and Waivers. Except as otherwise provided herein, the provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and holders of a majority of the Registrable Securities. The failure or delay of any Person to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such Person thereafter to enforce each and every provision of this Agreement in accordance with its terms. A waiver or consent to or of any breach or default by any Person in the performance by that Person of his, her or its obligations under this Agreement shall not be deemed to be a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person under this Agreement.

(c) Remedies. The parties to this Agreement shall be entitled to enforce their rights under this Agreement specifically (without posting a bond or other security), to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge that a breach of this Agreement would cause irreparable harm and money damages would not be an adequate remedy for any such breach and that, in addition to any other rights and remedies existing hereunder, any party shall be entitled to specific performance and/or other injunctive relief from any court of law or equity of competent jurisdiction (without posting any bond or other security) in order to enforce or prevent violation of the provisions of this Agreement.

(d) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited, invalid, illegal or unenforceable in any respect under any applicable law or regulation in any jurisdiction, such prohibition, invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement in such jurisdiction or in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such prohibited, invalid, illegal or unenforceable provision had never been contained herein.

(e) Entire Agreement. Except as otherwise provided herein, this Agreement contains the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties hereto, written or oral, which may have related to the subject matter hereof in any way.

(f) Successors and Assigns. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit and be enforceable by the Company and its successors and assigns and the holders of Registrable Securities and their respective successors and permitted assigns (whether so expressed or not). In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent holder of Registrable Securities.

(g) Notices. All notices, demands or other communications to be given under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (i) when delivered personally to the recipient; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient but, if not, then on the next business day; (iii) one business day after it is sent to the recipient by reputable overnight courier service (charges prepaid) or (iv) three days after it is mailed to the recipient by first class mail, return receipt requested. Such notices, demands and other communications shall be sent to the Company at the address specified below and to any holder of Registrable Securities or to any other party subject to this Agreement at such address as indicated beneath such party's signature hereto, or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Any party may change its address for receipt of notice by providing prior written notice of the change to the sending party. The Company's address is:

RE/MAX Holdings, Inc.
5075 South Syracuse Street
Denver, Colorado 80237
Attn: Geoffrey D. Lewis
Facsimile: (303) 224-4244

With a copy to:

Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
Attn: Gavin Grover
Facsimile: (415) 276-7113

or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

(h) Business Days. If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the state in which the Company's chief-executive office is located, the time period shall automatically be extended to the business day immediately following such Saturday, Sunday or legal holiday.

(i) Governing Law. All issues and questions concerning the construction, validity, interpretation and enforcement of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

(j) MUTUAL WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED FOR INDUCEMENT FOR EACH OF THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT (AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL), EACH PARTY HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY LAWSUIT OR PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE MATTERS CONTEMPLATED HEREBY.

(k) CONSENT TO JURISDICTION AND SERVICE OF PROCESS. EACH OF THE PARTIES IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. EACH OF THE PARTIES HERETO FURTHER AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY U.S. REGISTERED MAIL TO SUCH PARTY'S RESPECTIVE ADDRESS SET FORTH ABOVE SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION, SUIT OR PROCEEDING WITH RESPECT TO ANY MATTERS TO WHICH IT HAS SUBMITTED TO JURISDICTION IN THIS PARAGRAPH. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND HEREBY AND THEREBY FURTHER

IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(l) Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement. The use of the word "including" in this Agreement shall be by way of example rather than by limitation.

(m) No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

(n) Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all such counterparts taken together shall constitute one and the same agreement.

(o) Electronic Delivery. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent executed and delivered by means of a photographic, photostatic, facsimile or similar reproduction of such signed writing using a facsimile machine or electronic mail shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or electronic mail to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic mail as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(p) Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each holder of Registrable Securities shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and the transactions contemplated hereby.

(q) No Inconsistent Agreements. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

(r) Selection of Investment Bankers. The holders of a majority of the Registrable Securities included in any Demand Registration shall have the right to select the investment banker(s) and manager(s) to administer the offering; provided that the consent of the Company shall be required for the selection of the investment banker(s) and manager(s) to administer the offering. In any piggyback registration, the Company shall select the investment banker(s) and manager(s) to administer the offering.

* * * * *

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

RE/MAX HOLDINGS, INC.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

RIHI, INC.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Secretary

Address: 5075 South Syracuse Street Denver, Colorado 80237

SCHEDULE OF OTHER INVESTORS

None

EXHIBIT A

REGISTRATION RIGHTS AGREEMENT

JOINDER

The undersigned is executing and delivering this Joinder pursuant to the Registration Rights Agreement dated as of October 1, 2013 (as the same may hereafter be amended, the " Registration Rights Agreement "), among RE/MAX Holdings, Inc., a Delaware corporation (the " Company "), and the other person named as parties therein.

By executing and delivering this Joinder to the Company, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the provisions of the Registration Rights Agreement as a holder of Registrable Securities in the same manner as if the undersigned were an original signatory to the Registration Rights Agreement, and the Common Stock received with respect to the undersigned's shares of Common Stock shall be included as Registrable Securities under the Registration Rights Agreement.

Accordingly, the undersigned has executed and delivered this Joinder as of the ___ day of _____, 20__.

_____
Signature of Stockholder

_____
Print Name of Stockholder

Address: _____

_____

_____

Agreed and Accepted as of.

_____

RE/MAX Holdings, Inc.

By: _____
Its: _____

sf-3321030

Exhibit 10.9

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (this " Agreement "), dated as of October 1, is entered into by and between RMCO, LLC, a Delaware limited liability company (" RMCO LLC "), RE/MAX, LLC, a Delaware limited liability company (" RE/MAX LLC ") and RE/MAX HOLDINGS, INC., a Delaware corporation (" RE/MAX Inc. ").

RECITALS

A. In connection with the admission of RE/MAX Inc. as a member of RMCO LLC pursuant to the terms of the Fourth Amended and Restated Limited Liability Company Agreement of RMCO LLC dated as of the date hereof (the " LLC Agreement "), the members of RMCO LLC have approved this Management Services Agreement.

B. To facilitate the operation of the business of RMCO LLC and its subsidiaries, RMCO LLC, RE/MAX LLC and RE/MAX Inc. desire for RE/MAX Inc. to provide certain management services to RMCO LLC that are supplemental to RE/MAX Inc.'s role under the LLC Agreement and memorialize the clarification of certain responsibilities of RE/MAX Inc. in managing RMCO LLC on the terms and subject to the conditions specified in this Agreement.

C. To facilitate RE/MAX Inc.'s provision of management services, RMCO LLC, RE/MAX LLC and RE/MAX Inc. desire for RMCO LLC and RE/MAX LLC to provide certain administrative services, facilities and other resources to RE/MAX Inc. on the terms and subject to the conditions specified in this Agreement.

AGREEMENT

In consideration of the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, RMCO LLC, RE/MAX LLC and RE/MAX Inc. agree as follows:

1. **Definitions.**

The following terms shall have the indicated meaning:

" Affiliate " means with respect to a Person, any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. As used in this definition, the word "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

" Aggregate Employee Costs " means, with respect to any month, the aggregate amount of Attributable Employee Costs.

" Agreement " is defined in the introductory paragraph.

" Attributable Employee Costs " means, with respect to each Service Employee, the monthly Employee Costs attributed to such Service Employee.

" Board " means the Board of Directors of RE/MAX Inc.

" Effective Time " means the "Effective Time," as that term is defined in the LLC Agreement.

" Employee Costs " means the direct out-of-pocket costs or reasonable allocated costs of RE/MAX Inc. (i) for gross wages, salaries, bonuses, incentive compensation, equity compensation and payroll taxes of the Service Employees, plus (ii) for workers' compensation insurance incurred by RE/MAX Inc. with respect to the Service Employees, plus (iii) for employee benefit plans, to the extent attributable to any Service Employees, including pension, savings, medical, dental, vision, disability and life insurance, plus (iv) for other benefits, to the extent attributable to the Service Employees, including fringe benefits, or other similar incentive programs, executive programs, severance pay, employee assistance programs, cafeteria plan benefits, dependent care and health care flexible spending accounts, sick leave, legal assistance, and educational assistance, plus (v) related to the employee benefit plans or programs, including incremental costs of charges or premiums, employee participation, actuarial reports, accounting, or legal fees.

" Health and Welfare Plans " is defined in Section 4.3(d).

"Law" or "Laws" means all applicable federal, state, tribal and local laws (statutory or common), rules, ordinances, regulations, grants, concessions, franchises, licenses, orders, directives, judgments, decrees, restrictions and other similar requirements, whether legislative, municipal, administrative or judicial in nature.

" LLC Agreement " is defined in the Recitals.

" LLC Indemnified Parties " is defined in Section 5.3.

" Losses " is defined in Section 5.1.

" Management Services " means all services performed by Service Employees, whether the provision of such services by RE/MAX Inc. is required or contemplated by the LLC Agreement or is supplemental to the services to be provided by RE/MAX Inc. to RMCO LLC under the LLC Agreement, relating to the management and operation of the business of RMCO LLC, including executive oversight, sales, marketing, advertisement production, distribution, finance and accounting support and reporting, legal support and all other services provided by RE/MAX Inc., its officers, directors and employees to RMCO LLC in, or relating to, RE/MAX Inc.'s role as manager of RMCO LLC. For the avoidance of doubt, the term "Management Services" shall include the administration of the Tax Receivable Agreements.

" Person " means an individual, corporation, joint venture, partnership, limited partnership, limited liability company, trust, estate, business trust, association, governmental authority or any other entity.

" Reimbursable Costs " shall mean all of the reasonable out-of-pocket costs and expenses directly incurred by RE/MAX Inc. in connection with the providing of the Management Services, including the following:

(a) all supplies and equipment purchased on behalf of RMCO LLC or its customers in order to provide the Management Services;

(b) reasonable meals, travel, hotel accommodations, and entertainment expenses incurred in connection with the performance of the Management Services;

(c) legal, accounting, health and safety, environmental, and other third party advisors and consultants incurred in connection with the performance of the Management Services;

(d) directors ' and officers' insurance policies, employee practices liability insurance policies and any indemnification of directors or officers of RE/MAX Inc.; and

(e) bank accounts maintained by RE/MAX Inc. on behalf of RMCO LLC.

In addition, Reimbursable Costs shall include all items of corporate overhead or other fees, costs or expenses of any kind whatsoever incurred by RE/MAX Inc. and associated with, related to or otherwise necessary for RE/MAX Inc.'s maintenance of its corporate existence and business and its status as a reporting company under the federal securities laws. Solely as illustration and not by means of limitation, examples of such Reimbursable Costs would be SEC filing fees, blue sky fees and expenses, transfer agent, paying agent and registrar fees and expenses, franchise taxes, registered agent fees and expenses and fees and expenses of its public accountants and legal advisors.

" RE/MAX Inc. " is defined in the introductory paragraph.

" RE/MAX Inc. Indemnified Parties " is defined in Section 5.2.

" RE/MAX Inc. Omnibus Incentive Plan " means the RE/MAX Holdings, Inc. 2013 Omnibus Incentive Plan, as amended from time to time.

" RE/MAX, LLC " is defined in the introductory paragraph.

" RMCO LLC " is defined in the introductory paragraph.

" Service Employees " means those employees of RE/MAX Inc. who devote all or a portion of their working time to the performance of the Management Services. Service Employees include and will include any former Service Employee to whom RE/MAX Inc. has ongoing obligations.

" Services Fee " is defined in Section 3.1.

" Supporting Documentation " is defined in Section 2.4(a).

" Tax Receivable Agreements " means the Tax Receivable Agreement entered into by and between RE/MAX, Inc., and RIHI, Inc., a Delaware corporation, and the Tax Receivable Agreement entered into by and between Weston Presidio V, L.P., a Delaware limited partnership.

" Transaction Expenses " means all of the out-of-pocket costs and expenses incurred by RE/MAX Inc. in connection with (i) the initial public offering of RE/MAX Inc.'s Class A Common Shares pursuant to a firm commitment underwritten public offering pursuant to a registration statement on Form S-1, or (ii) any subsequent issuances of RE/MAX Inc.'s Class A Common Shares.

2. **Performance of Management Services.**

2.1 Management Services . From and after the Effective Time, RE/MAX Inc. agrees to provide the Management Services on the terms and conditions set forth in this Agreement and in compliance with the policies and programs established by the Board.

2.2 Subcontractors. RE/MAX Inc . may subcontract with third parties, including Affiliates of RE/MAX Inc., to assist in the performance of the Management Services; provided, however, that RE/MAX Inc. shall not be relieved of any obligation under this Agreement or the LLC Agreement as a result of any subcontract entered into pursuant to this Section 2.2; and further provided, that RE/MAX Inc., at all times, will manage, supervise and monitor such parties.

2.3 Compliance with Laws. RE/MAX Inc . shall perform the Management Services in compliance with all applicable Laws.

2.4 Supporting Documentation .

(a) RE/MAX Inc. shall keep reasonable supporting documentation of all the Services Fees and Reimbursable Costs (the "Supporting Documentation"). RE/MAX Inc. shall maintain and retain the Supporting Documentation in a manner consistent with RE/MAX Inc.'s record retention policies.

(b) RMCO LLC , upon reasonable notice to RE/MAX Inc., shall have the right to inspect and audit, during normal business hours and using reasonable commercial efforts not to disrupt RE/MAX Inc.'s normal business operations, the Supporting Documentation to the extent reasonably necessary to verify any information regarding the Services Fees or Reimbursable Costs with respect to any year within the twelve month period following the end of such year. The costs of any such inspection or audit shall be borne by RMCO LLC.

2.5 Employee Matters . All Service Employees shall be employees of RE/MAX Inc., and not RMCO LLC nor RE/MAX LLC. RE/MAX Inc. shall recruit, select, employ, promote, terminate, supervise, direct, train and assign the duties of all Service Employees, and may change or replace any such Service Employee at any time in each case in RE/MAX Inc.'s sole discretion. To the extent practicable, RE/MAX Inc. shall notify RMCO LLC and RE/MAX LLC

before terminating any Service Employee, but all such termination decisions shall be made by RE/MAX Inc. in its sole discretion.

2.6 No Partnership . Nothing contained in this Agreement or in the relationship between RE/MAX Inc., RMCO LLC and RE/MAX LLC constitutes, or may be construed to be or to create, a partnership or joint venture between RE/MAX Inc., RMCO LLC and RE/MAX LLC.

2.7 LLC Manager . Nothing contained in this Agreement shall alter RE/MAX Inc.'s rights and obligations as manager of RMCO LLC, as set forth in the LLC Agreement and applicable law.

3. **Management Services Fee and Payment.**

3.1 Services Fee . During the term of this Agreement, RMCO LLC shall pay RE/MAX Inc. a monthly fee (the " Services Fee ") for performance of the Management Services equal to the Aggregate Employee Costs for such month.

3.2 Reimbursable Costs . During the term of this Agreement, RMCO LLC shall pay RE/MAX Inc. the amount of the Reimbursable Costs on a monthly basis.

3.3 Billing and Payments . On or within 10 days following the Effective Time, RMCO LLC shall pay RE/MAX Inc. the estimated Services Fee for the remaining portion of the then current month and for the following month, which shall be set forth in an invoice provided to RMCO LLC at or before the Effective Time. Each month after the Effective Time, RE/MAX Inc. will invoice RMCO LLC for the estimated Services Fee for the following month and the Reimbursable Costs for the preceding month. The invoice shall also include any adjustment in the amount owed by RMCO LLC based on any difference between the prior estimated Services Fees and actual Services Fees that have been accounted for in the preceding month. RMCO LLC shall pay RE/MAX Inc. the Services Fee and Reimbursable Costs set forth in the invoice in immediately available funds within 10 days following receipt of such invoice.

3.4 Transaction Expenses . RMCO LLC shall reimburse RE/MAX Inc. for all Transaction Expenses, which shall be set forth in an invoice provided to RMCO LLC. Such reimbursement by RMCO LLC shall be paid in immediately available funds following receipt of the invoice.

4. **Performance of Administrative Services.**

4.1 Administrative Services . From and after the Effective Time, RMCO LLC and RE/MAX LLC agrees to provide reasonable office facilities, equipment, supplies and administrative and other support services to RE/MAX Inc. as are reasonably required by RE/MAX Inc. to perform the Management Services and at a level no less than RMCO LLC and RE/MAX LLC have historically provided such services to support the work of their executive officers.

4.2 Payroll, Accounting and Financial Reporting and Other Support Services . From and after the Effective Time, RE/MAX LLC agrees to provide payroll, accounting and financial reporting and other support services for RE/MAX Inc.

(a) Payroll . RE/MAX LLC shall perform all payroll functions for payment of RE/MAX LLC and RE/MAX Inc. employees. RE/MAX LLC shall be designated as the common paymaster for RE/MAX LLC and RE/MAX Inc. and shall be responsible for payroll tax withholding, remission and payroll tax reporting of compensation for RE/MAX LLC and RE/MAX Inc. employees. RE/MAX LLC and RE/MAX Inc. shall take such action as may be reasonably necessary or appropriate in order to minimize liabilities related to payroll taxes in connection with the transfer of Service Employees from RE/MAX LLC to RE/MAX Inc.

(b) Accounting and Financial Reporting . RE/MAX LLC shall provide accounting and financial reporting services as reasonably required by RE/MAX Inc. operations.

(c) Other Support Services . RE/MAX LLC shall provide other reasonable supporting services for RE/MAX Inc. including: management, sales, marketing, advertisement production, distribution, information technology, human resources, and legal supporting services on the same or similar terms as such services are provided to RE/MAX LLC.

4.3 Employee Benefits . From and after the Effective Time, RE/MAX LLC agrees that RE/MAX Inc. employees shall be eligible to actively participate in the RE/MAX LLC group employee benefit plans and, to the extent provided for below, RE/MAX Inc. shall be a participating employer in any RE/MAX LLC group employee benefit plan. RE/MAX Inc. agrees that RE/MAX LLC employees shall be eligible to receive awards under the RE/MAX Inc. Omnibus Incentive Plan.

(a) Service Recognition . RE/MAX LLC shall cause the RE/MAX LLC group employee benefit plans with respect to which service is a relevant factor to credit Service Employees who are employed by RE/MAX LLC immediately prior to a transfer of employment to RE/MAX Inc. with service before the effective date of the transfer, except to the extent duplication of benefits would result.

(b) RE/MAX Inc . Omnibus Incentive Plan. RE/MAX LLC shall provide administrative supporting services with respect to operation, administration and required reporting for the RE/MAX Inc. Omnibus Incentive Plan.

(c) 401(k) Plan . RE/MAX LLC and RE/MAX Inc. shall take all actions required or appropriate to provide that RE/MAX Inc. is a participating employer in the RE/MAX, LLC 401(k) Retirement Savings Plan, or its successor.

(d) Health and Welfare Plans . RE/MAX LLC and RE/MAX Inc. shall take all actions required or appropriate to provide that RE/MAX Inc. shall adopt, as a participating employer, the portion of the RE/MAX, LLC Employee Welfare Benefit Plan (the “Welfare Benefit Plan”) consisting of fully insured benefits, which consists of: (i) Group Life Insurance, (ii) Accidental Death & Dismemberment Benefits, (iii) Voluntary Life Insurance, (iv) Long-Term Disability Benefits, and (v) Short-Term Disability Benefits

(collectively referred to herein as the "Insured Welfare Benefits") to permit eligible RE/MAX Inc. employees and their covered dependents to participate in such Insured Welfare Benefits. RE/MAX LLC shall amend the portion of the Welfare Benefit Plan that includes partially or fully self-insured benefits (collectively referred to herein as "Uninsured Welfare Benefits," and consisting of (i) Health and Medical Benefits and (ii) Dental Benefits) to permit Service Employees and their covered dependents to continue to participate in the Uninsured Welfare Benefits in their capacity as former employees of RE/MAX LLC. RE/MAX LLC shall take appropriate action with respect to Service Employees transferred to RE/MAX Inc. to (i) waive any pre-existing condition limitation on benefits for Service Employees enrolled in the Welfare Benefit Plan, (ii) take into account and credit any out-of-pocket annual maximums and deductibles for the calendar year during which service is provided to both RE/MAX LLC and RE/MAX Inc., and (iii) take into account prior claim experience under the Welfare Benefit Plan with respect to aggregate lifetime maximum benefits available to the Service Employee. RE/MAX LLC shall be responsible for administering compliance with the health care continuation requirements of COBRA, the certificate of creditable coverage requirements of HIPAA, the corresponding provisions of the RE/MAX LLC Health and Welfare plans with respect to RE/MAX LLC and RE/MAX Inc. employees and their covered dependents.

(e) Vacation . RE/MAX Inc. shall assume and honor all unused vacation and other time-off earned or accrued by Service Employees for service with RE/MAX LLC prior to the Effective Time.

(f) Other . RE/MAX Inc. and RE/MAX LLC shall take all actions required or appropriate to ensure that the employee benefits provided to RE/MAX Inc. employees are in the aggregate no less than the employee benefits available to continuing employees of RE/MAX LLC.

5. **Limitation on Liability; Indemnification.**

5.1 Exculpation of RE/MAX Inc. Neither RE/MAX Inc. nor its officers, directors, agents and employees shall be liable to RMCO LLC for any claims, actions, losses, damages, liabilities, causes of action, fines, costs and expenses (including reasonable investigation costs and reasonable attorneys', experts' and consultants' fees) (" Losses ") suffered or incurred by RMCO LLC, directly or indirectly, in connection with the performance of the Management Services, except to the extent such Losses are caused by willful misconduct or gross negligence of RE/MAX Inc. No party hereto shall be liable to the other party for, and the term Losses shall not include, any lost profits, lost sales, business interruption, decline in value, lost business opportunities, or consequential, incidental, punitive or exemplary damages; *provided*, *however*, that this waiver shall not limit a party's right to indemnification for liabilities incurred by such party to a third party (other than the members of RMCO LLC and their Affiliates) claiming such items as damages.

5.2 RMCO LLC Indemnification of RE/MAX Inc . RMCO LLC shall indemnify, defend and hold harmless RE/MAX Inc. and its Affiliates, directors, officers, members, managers, agents, and employees (the "RE/MAX Inc. Indemnified Parties") from and against all Losses arising from the claims of any third party to the extent such claims arise directly or

indirectly out of RE/MAX Inc.'s performance of the Management Services, including any Losses arising out of or otherwise related to RE/MAX Inc.'s employment of the Service Employees and the furnishing of such Service Employees to RMCO LLC; provided, however, RMCO LLC shall not be responsible for indemnifying or defending any of the RE/MAX Inc. Indemnified Parties or otherwise be liable to any of the RE/MAX Inc. Indemnified Parties with respect to any Losses arising from RE/MAX Inc.'s willful misconduct or gross negligence.

5.3 RE/MAX Inc. Indemnification of RMCO LLC and RE/MAX LLC. RE/MAX Inc. shall indemnify, defend and hold harmless RMCO LLC and RE/MAX LLC, their members and employees and directors, officers and agents of the members (the "LLC Indemnified Parties") from and against all Losses resulting directly or indirectly from any act or omission by RE/MAX Inc. that constitutes willful misconduct or gross negligence; provided, however, RE/MAX Inc. shall not be responsible for indemnifying or defending any of the LLC Indemnified Parties or otherwise be liable to any of the LLC Indemnified Parties with respect to any Losses for which RMCO LLC is obligated to indemnify RE/MAX Inc. as provided in Section 5.2.

5.4 Special Indemnification Provisions. The indemnification obligations of RMCO LLC under Section 5.2 and RE/MAX Inc. under Section 5.3 shall in each case be conditioned upon (a) prompt notice from the other party after such Person learns of any claim or basis therefor which is covered by such indemnity (except to the extent that the failure to provide prompt notice does not prejudice the indemnifying party), (b) such party's not taking any steps which would bar RMCO LLC, RE/MAX LLC and/or RE/MAX Inc., as the case may be, from obtaining recovery under applicable insurance policies or would prejudice the defense of the claim in question and (c) such party's taking of all reasonably necessary steps which if not taken would result in RMCO LLC, RE/MAX LLC and/or RE/MAX Inc., as the case may be, being barred from obtaining recovery under applicable insurance policies or would prejudice the defense of the claim in question.

6. **Term; Termination; Default.**

6.1 Effectiveness and Term. This Agreement shall become effective at the Effective Time and shall continue until terminated as provided in Section 6.2.

6.2 Termination. This Agreement shall terminate, with no further action necessary by RMCO LLC, RE/MAX LLC or RE/MAX Inc., on the date that RE/MAX Inc. ceases to be the manager of RMCO LLC pursuant to the terms of the LLC Agreement.

6.3 Surrender. Upon the termination of this Agreement, RMCO LLC, RE/MAX LLC and RE/MAX Inc. shall deliver any property belonging to the other party hereto.

6.4 Payment of Expenses After Termination; Accrued Obligations.

(a) Neither party hereto shall be relieved from any obligations or liabilities accruing prior to the effective date of termination, including in the case of RMCO LLC, its obligation to make payment to RE/MAX Inc. of all sums due RE/MAX Inc. under this Agreement in respect of the performance of the Management Services prior to the date of termination. After termination of this Agreement, RE/MAX Inc. shall provide RMCO LLC

a final invoice showing any prorated amount of the Services Fee to be returned to RE/MAX Inc. and the outstanding Reimbursable Costs due to RE/MAX Inc. The balance owed to RE/MAX Inc. or RMCO LLC, as applicable, shall be paid by the other party within 15 days following receipt of the final invoice.

(b) Upon termination of this Agreement, all employment agreements then in effect, including any employment agreements with former Service Employees pursuant to which RE/MAX Inc. has ongoing obligations, shall be assigned by RE/MAX Inc. to RMCO LLC and RE/MAX LLC, effective as of termination, and RMCO LLC and RE/MAX LLC shall assume all obligations under such agreements.

6.5 Survival . The provisions set forth in Sections 4, 5, 6.3, 6.4 and 7.1 shall survive the termination of this Agreement.

6.6 Obligation to Cure or Re -perform . In the event of any breach of this Agreement by RE/MAX Inc. in the performance of any Management Services, RE/MAX Inc. shall, at RMCO LLC's request, cure such breach or re-perform such Management Services; provided, however, that nothing in this Section 6.6 shall require RE/MAX Inc. to re-perform any Management Services that are being disputed by the parties.

7. **Miscellaneous.**

7.1 Governing Law . This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Delaware without giving effect to principles of conflicts of law.

7.2 Notices . All notices, demands or other communications to be given under or by reason of this Agreement shall be in writing and shall be deemed to have been received when delivered personally, or when transmitted by overnight delivery service, addressed as follows:

If to RE/MAX Inc. :

RE/MAX Holdings, Inc.
5075 South Syracuse Street
Denver, Colorado 80237

with a copy to:

Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
Attn: Gavin Grover
Facsimile: (415) 276-7113

If to RMCO LLC :

RMCO, LLC
5075 South Syracuse Street

Denver, Colorado 80237
Attention: General Counsel

with a copy to:

Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
Attn: Gavin Grover
Facsimile: (415) 276-7113

If to RE/MAX LLC :

RE/MAX, LLC
5075 South Syracuse Street
Denver, Colorado 80237
Attention: General Counsel

with a copy to:

Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
Attn: Gavin Grover
Facsimile: (415) 276-7113

Either party hereto may change its address for notices, demands and other communications under this Agreement by giving notice of such change to the other party hereto in accordance with this Section 7.2.

7.3 Benefit of Parties; Assignment . This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, legal representatives and permitted assigns. This Agreement may not be assigned by RE/MAX Inc., RMCO LLC or RE/MAX LLC except with the prior written consent of the other party; *provided, however* , no prior consent shall be required for an assignment by RE/MAX Inc. of this Agreement to an Affiliate. With the exception of the rights of the RE/MAX Inc. Indemnified Parties under Section 5.2 and the rights of the LLC Indemnified Parties under Section 5.3, nothing herein contained shall confer or is intended to confer on any third party or entity that is not a party to this Agreement any rights under this Agreement.

7.4 Amendment . This Agreement may not be amended, modified, altered or supplemented except by means of a written instrument executed on behalf of each of RE/MAX Inc., RMCO LLC and RE/MAX LLC.

7.5 Waiver . No failure on the part of either party hereto to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of either party hereto in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver

thereof; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

7.6 Severability . If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

7.7 Entire Agreement . This Agreement sets forth the entire understanding of parties hereto and supersedes all other agreements and understandings between the parties hereto relating to the subject matter hereof.

7.8 Counterparts and Facsimiles . This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other. The parties hereto may execute the signature pages hereof and exchange such signature pages by facsimile transmission.

7.9 Interpretation of Agreement .

(a) As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words “without limitation.”

(b) Unless otherwise specified, references in this Agreement to “Sections” is intended to refer to Sections of this Agreement.

(c) The Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement.

(d) Each party hereto and its counsel cooperated in drafting and preparation of this Agreement and the documents referred to in this Agreement. Any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against the party that drafted it is of no application and is hereby expressly waived.

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

RMCO, LLC

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

RE/MAX, LLC

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

RE/MAX HOLDINGS, INC.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

[Signature page of Management Services Agreement]

Exhibit 10.10

RMCO, LLC

FOURTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

Dated as of October 1, 2013

THE COMPANY INTERESTS REPRESENTED BY THIS FOURTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH COMPANY INTERESTS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER SUBSTANTIAL RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

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RMCO, LLC

FOURTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

This FOURTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this " Agreement "), dated as of October 1, 2013, is entered into by and among RMCO, LLC, a Delaware limited liability company (the " Company "), and its Members (as defined herein).

WHEREAS, RE/MAX International Holdings, Inc. (" RIHI "), as sole Member, entered into that certain Limited Liability Company Agreement of the Company, dated as of April 15, 2010;

WHEREAS, RIHI and Weston Presidio V, L.P. (collectively, the " Original Members ") entered into that certain Amended and Restated Limited Liability Company Agreement of the Company, dated as of April 16, 2010;

WHEREAS, the Original Members entered into that certain Second Amended and Restated Limited Liability Company Agreement of the Company, dated as of November 15, 2012;

WHEREAS, the Original Members entered into that certain Third Amended and Restated Limited Liability Company Agreement of the Company, dated as of February 1, 2013 (the " Third LLC Agreement ");

WHEREAS, the Company and the Original Members desire to have RE/MAX Holdings, Inc., a Delaware corporation (" Holdings "), effect an initial public offering (the " IPO ") of shares of its Class A Common Stock, par value $0.0001 (the " Class A Common Stock "), and in connection therewith, to amend and restate the Third LLC Agreement to reflect (i) a recapitalization of the Company (the " Recapitalization "), (ii) the addition of Holdings as a Member in the Company and its designation as sole Manager (as defined herein) of the Company, and (iii) the rights and obligations of the Members which are enumerated and agreed upon in the terms of this Agreement effective as of the Effective Time (as defined herein), pursuant to which the Third LLC Agreement and the Letter Agreement (as defined herein) shall be superseded entirely by this Agreement;

WHEREAS, in connection with the Recapitalization, (i) WP's prior Class A Preferred Units (as defined in the Third LLC Agreement) will be converted into Preferred Units (as defined herein) and Common Units (as defined herein) and (ii) RIHI's prior Class B Common Units (as defined in the Third LLC Agreement) will be converted into Common Units;

WHEREAS, exclusive of the Over-Allotment Option (as defined below), Holdings will sell shares of its Class A Common Stock to public investors in the IPO and will use approximately $27.3 million of the net proceeds received from the IPO (the " Net IPO Proceeds ") to purchase the HBN/Tails Assets (as defined herein);

WHEREAS, following the Recapitalization, the IPO, and Holdings' purchase of the HBN/Tails Assets, Holdings will subsequently contribute the HBN/Tails Assets (the " HBN/Tails Contribution ") to the Company in exchange for Common Units worth approximately $27.3 million pursuant to that certain Contribution Agreement (as defined herein);

WHEREAS, following the HBN/Tails Contribution, Holdings will use the Net IPO Proceeds remaining after its purchase of the HBN/Tails Assets (the " Remaining Net IPO Proceeds ") to purchase newly issued Common Units from the Company pursuant to that certain Common Unit Purchase Agreement (as defined herein);

WHEREAS, following the Company's receipt of the Remaining Net IPO Proceeds from Holdings in exchange for the Company's delivery of newly issued Common Units to Holdings, the Company will pay to WP $49,850,000 of the Remaining Net IPO Proceeds in order to completely redeem the Preferred Units held by WP (the " WP Preferred Unit Redemption ") and to satisfy the liquidation preference associated with the Preferred Units;

WHEREAS, following the WP Preferred Unit Redemption, the Company will pay $ $76,931,250.00 to WP from the rest of the Remaining Net IPO Proceeds in order to redeem all Common Units held by WP (the " WP Common Unit Redemption ") and will thereafter pay $ $40,063,743.50 to RIHI in order to redeem Common Units held by RIHI (the " RIHI Initial Common Unit Redemption ");

WHEREAS, as a result of the Recapitalization and the related transactions described above, WP will be fully redeemed and will no longer be a Member;

WHEREAS, Holdings may issue additional Class A Common Stock in connection with the IPO as a result of the exercise by the underwriters of their over-allotment option (the " Over-Allotment Option ") and, if the Over-Allotment Option is in fact exercised in whole or in part, any additional net proceeds (the " Net Over-Allotment Proceeds ") also shall be used by Holdings to purchase newly issued Common Units pursuant to the Common Unit Purchase Agreement;

WHEREAS, following the Company's receipt of any Net Over-Allotment Proceeds from Holdings in exchange for the Company's delivery of newly issued Common Units to Holdings, the Company will, in turn, use such Net Over-Allotment Proceeds to redeem additional Common Units held by RIHI (the " RIHI Over-Allotment Option Common Unit Redemption ");

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

The following definitions shall be applied to the terms used in this Agreement for all purposes, unless otherwise clearly indicated to the contrary.

" Additional Member " has the meaning set forth in Section 0 .

" Adjusted Capital Account Deficit " means with respect to any Capital Account as of the end of any Taxable Year, the amount by which the balance in such Capital Account is less than zero. For this purpose, such Person's Capital Account balance shall be:

(i) reduced for any items described in Treasury Regulation Section 1.704- 1(b)(2)(ii)(d)(4), (5), and (6), and

(ii) increased for any amount such Person is obligated to contribute or is treated as being obligated to contribute to the Company pursuant to Treasury Regulation Section 1.704- 1(b)(2)(ii)(c) (relating to partner liabilities to a partnership) or 1.704-2(g)(1) and 1.704-2(i) (relating to minimum gain).

" Admission Date " has the meaning set forth in Section 0 .

" Affiliate " (and, with a correlative meaning, " *Affiliated* ") means, with respect to a specified Person, a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified. As used in this definition, " *control* " (including with correlative meanings, " *controlled by* " and " *under common control with* ") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting securities or by contract or other agreement).

" Agreement " has the meaning set forth in the Preamble.

" Appraiser " has the meaning set forth in Section 0 .

" Assignee " means a Person to whom a Company Interest has been transferred but who has not become a Member pursuant to Article XII .

" Assumed Tax Liability " means, with respect to a Member, an amount equal to the Distribution Tax Rate multiplied by the aggregate amount of all items of income, gain, deduction, loss and credit allocated to a Member pursuant to Section 5.5 ; provided such Assumed Tax Liability shall be computed, in the case of Holdings, without regard to any reduction in taxable income attributable to any "Basis Adjustments" (as such term is defined in the Tax Receivable Agreements).

" Base Rate " means, on any date, a variable rate per annum equal to the rate of interest most recently published by The Wall Street Journal as the "prime rate" at large U.S. money center banks.

" Book Value " means, with respect to any Company property, the Company's adjusted basis for U.S. federal income tax purposes, adjusted from time to time to reflect the adjustments required or permitted by Treasury Regulation Section 1.704-1(b)(2)(iv)(d)-(g).

" Brokerage " means RE/MAX Brokerage, LLC, a Delaware limited liability company and a Subsidiary of the Company.

" Business Day " means any day other than a Saturday or a Sunday or a day on which banks located in Denver, Colorado generally are authorized or required by law to close.

" Capital Account " means the capital account maintained for a Member pursuant to Section 5.1 .

" Capital Contribution " means any cash, cash equivalents, promissory obligations or the Fair Market Value of other property which a Member contributed to the Company.

" Cash Settlement " means immediately available funds in U.S. dollars in an amount equal to the Redeemed Units Equivalent.

" Certificate " means the Company's Certificate of Formation as filed with the Secretary of State of Delaware.

" Change of Control Transaction " means a sale of all or substantially all of the Company's assets determined on a consolidated basis or a sale of (a) a majority of the Company's outstanding Units or (b) a majority of the outstanding voting securities of any Subsidiary of the Company; in either case, whether by merger, recapitalization, consolidation, reorganization, combination or otherwise), provided , however , that neither (x) a transaction solely for the purpose of changing the jurisdiction of domicile of the Company, nor (y) a transaction solely for the purpose of changing the form of entity of the Company, shall constitute a Change of Control Transaction.

" Class A Preferred Unit " has the meaning set forth in Article 1 of the Third LLC Agreement.

" Class A Common Stock " has the meaning set forth in the Recitals.

" Class A Common Unit " has the meaning set forth in Article 1 of the Third LLC Agreement.

" Class B Common Stock " means Class B Common Stock, par value $0.0001 per share, of Holdings.

" Code " means the United States Internal Revenue Code of 1986, as amended.

" Common Unit " means a Unit representing a fractional part of the Company Interests of the Members and having the rights and obligations specified with respect to the Common Units in this Agreement.

" Common Unitholder " means a holder of Common Units.

" Common Unit Purchase " has the meaning set forth in Section 0 .

" Common Unit Purchase Agreement " means that certain Common Unit Purchase Agreement between Holdings and the Company and dated as of the date hereof.

" Common Unit Redemption Price " means the arithmetic average of the volume weighted average prices for a share of Class A Common Stock on the principal U.S. securities exchange or automated or electronic quotation system on which Class A Common Stock trades, as reported by Bloomberg, L.P., or its successor, for each of the five (5) consecutive full Trading Days ending on and including the last full Trading Day immediately prior to the Redemption Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Class A Common Stock. If the Class A Common Stock no longer trades on a securities exchange or automated or electronic quotation system, then a majority of the Independent Directors shall determine the Common Unit Redemption Price in good faith.

" Company " has the meaning set forth in the Preamble.

" Company Interest " means the interest of a Member in Profits, Losses and Distributions.

" Contribution Agreement " means that certain Contribution Agreement between Holdings and the Company and dated as of the date hereof.

" Contribution Notice " has the meaning set forth in Section 11.1(b) .

" Credit Agreement " means that certain Credit Agreement, dated as of July 31, 2013, by and among the Company, RE/MAX LLC, the several lenders from time to time parties thereto, and JPMorgan Chase Bank, N.A., as administrative agent for the lenders, including all exhibits, schedules and attachments thereto, as such Credit Agreement is in effect as of July 31, 2013, as the same may be amended, refinanced, restated, supplemented or otherwise modified from time to time.

" Delaware Act " means the Delaware Limited Liability Company Act, 6 Del.L. § 18-101, et seq., as it may be amended from time to time, and any successor to the Delaware Act.

" Distributable Cash " shall mean, as of any relevant date on which a determination is being made by the Manager regarding a potential distribution pursuant to Section 4.1(a) , the amount of cash that could be distributed by the Company pursuant to the Credit Agreement (and without otherwise violating any applicable provisions of the Credit Agreement).

" Distribution " (and, with a correlative meaning, " *Distribute* ") means each distribution made by the Company to a Member with respect to such Member's Units, whether in cash, property or securities of the Company and whether by liquidating distribution or otherwise; provided , however , that none of the following shall be a Distribution: (i) any recapitalization that does not result in the distribution of cash or property to Members or any exchange of securities of the Company, and any subdivision (by Unit split or otherwise) or any combination (by reverse Unit split or otherwise) of any outstanding Units, (ii) any payments made by the Company to Holdings pursuant to the Management Services Agreement (which shall be treated as payments made by the Company to Holdings under Section 707(a) of the Code), or (iii) any other payment made by the Company to a Member that is not properly treated as a "distribution" for purposes of Sections 731, 732, or 733 or other applicable provisions of the Code.

" Distribution Tax Rate " shall mean a rate equal to the highest effective marginal combined federal, state and local income tax rate for a Fiscal Year prescribed for a Colorado resident, as determined in the reasonable discretion of the Manager.

" Effective Time " has the meaning set forth in Section 0 .

" Equity Compensation Notice " has the meaning set forth in Section 0 .

" Equity Securities " means (i) Units or other equity interests in the Company or any Subsidiary of the Company (including other classes or groups thereof having such relative rights, powers and duties as may from time to time be established by the Manager pursuant to the provisions of this Agreement, including rights, powers and/or duties senior to existing classes and groups of Units and other equity interests in the Company or any Subsidiary of the Company), (ii) obligations, evidences of indebtedness or other securities or interests convertible or exchangeable into Units or other equity interests in the Company or any Subsidiary of the Company, and (iii) warrants, options or other rights to purchase or otherwise acquire Units or other equity interests in the Company or any Subsidiary of the Company.

" Event of Withdrawal " means the expulsion, bankruptcy or dissolution of a Member or the occurrence of any other event that terminates the continued membership of a Member in the Company. "Event of Withdrawal" shall not include an event that (i) terminates the existence of a Member for income tax purposes (including, without limitation, (a) a change in entity classification of a Member under Treasury Regulations Section 301.7701-3, (b) termination of a partnership pursuant to Code Section 708(b)(1)(B), (c) a sale of assets by, or liquidation of, a Member pursuant to an election under Code Section 338, or (d) merger, severance, or allocation within a trust or among sub-trusts of a trust that is a Member) but that (ii) does not terminate the existence of such Member under applicable state law (or, in the case of a trust that is a Member, does not terminate the trusteeship of the fiduciaries under such trust with respect to all the Company Interests of such trust that is a Member).

" Fair Market Value " means, with respect to any asset, its fair market value determined according to Article XV .

" Fiscal Period " means any interim accounting period within a Taxable Year established by the Manager and which is permitted or required by Section 706 of the Code.

" Fiscal Year " means the Company's annual accounting period established pursuant to Section 0 .

" Governmental Entity " means the United States of America or any other nation, any state or other political subdivision thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of government.

" HBN/Tails Assets " means the assets purchased by Holdings from HBN, Inc. and Tails, Inc.

" HBN/Tails Contribution " has the meaning set forth in the Recitals.

" Holdings " has the meaning set forth in the Recitals.

" Holdings Board " means the Board of Directors of Holdings.

" Indemnified Person " has the meaning set forth in Section 0 .

" Independent Directors " means the independent members of the Holdings Board.

" Investment Company Act " means the Investment Company Act of 1940, as amended from time to time.

" IPO " has the meaning set forth in the Recitals.

" IPO Closing Date " means the closing date of the IPO, which for the avoidance of doubt means the date on which all IPO proceeds required to be delivered pursuant to the Underwriting Agreement have been delivered to Holdings in respect of its sale of Class A Common Stock excluding any proceeds from the Over-Allotment Option which are expected to be delivered at a subsequent date effecting exercise of such option.

" Law " means all laws, statutes, ordinances, rules and regulations of the United States, any foreign country and each state, commonwealth, city, county, municipality, regulatory body, agency or other political subdivision thereof.

" Letter Agreement " means that certain letter agreement, dated as of April 16, 2010, among David Liniger, Gail Liniger, RIHI and WP with respect to, amongst other things, certain estate planning arrangements arising after the death or disability of David Liniger.

" Losses " means items of Company loss determined according to Section 5.1(b) .

" Manager " has the meaning set forth in Section 0 .

" Management Services Agreement " means that certain Management Services Agreement between the Company and Holdings and dated as of the date hereof.

" Member " means (i) each of the members named on Schedule I attached hereto and (ii) any Person admitted to the Company as a Substituted Member or Additional Member in accordance with Article XII , but only so long as such Person is shown on the Company's books and records as the owner of one or more Units.

" Minimum Gain " means "partnership minimum gain" determined pursuant to Treasury Regulation Section 1.704-2(d).

" Net IPO Proceeds " has the meaning set forth in the Recitals.

" Net Loss " means, with respect to a Fiscal Year, the excess if any, of Losses for such Fiscal Year over Profits for such Fiscal Year (excluding Profits and Losses specially allocated pursuant to Section 5.3 and Section 5.4).

" Net Over-Allotment Proceeds " has the meaning set forth in the Recitals.

" Net Profit " means, with respect to a Fiscal Year, the excess if any, of Profits for such Fiscal Year over Losses for such Fiscal Year (excluding Profits and Losses specially allocated pursuant to Section 5.3 and Section 5.4).

" Officer " has the meaning set forth in Section 0 .

" Omnibus Incentive Plan " means the RE/MAX Holdings, Inc. 2013 Omnibus Incentive Plan, as the same may be amended, supplemented or otherwise modified from time to time.

" Options " means options, issued under the Omnibus Incentive Plan, to acquire Class A Common Stock or other equity equivalents of Holdings.

" Original Members " has the meaning set forth in the Recitals.

" Other Agreements " has the meaning set forth in Section 0 .

" Over-Allotment Option " has the meaning set forth in the Recitals.

" Percentage Interest " means, with respect to a Member at a particular time, such Member's percentage interest in the Company determined by dividing such Member's Units by the total Units of all Members at such time.

" Permitted Transfer " has the meaning set forth in Section 0 .

" Person " means an individual or any corporation, partnership, limited liability company, trust, unincorporated organization, association, joint venture or any other organization or entity, whether or not a legal entity.

" Preferred Unit " means a Unit representing a fractional part of the Company Interests of the Members and having the rights and obligations specified with respect to Preferred Units in this Agreement.

" Preferred Unit Redemption Amount " has the meaning set forth in Section 0 .

" Preferred Unitholder " means a holder of Preferred Units.

" Profits " means items of Company income and gain determined according to Section 5.1(b) .

" *Pro rata* , " " *pro rata portion* ," " according to their interests ," " ratably ," " proportionately ," " proportional ," " in proportion to ," " based on the number of Units held ," " based upon the percentage of Units held ," " based upon the number of Units outstanding ," and other terms with similar meanings, when used in the context of a number of Units of the Company relative to other Units, means (i) as between the Preferred Units and the Common Units, *pro rata* based upon the number of such Units held by the Members holding such Units, and (ii) as amongst an individual class of Units, pro rata based upon the number of such Units within such class of Units.

" Recapitalization " has the meaning set forth in the Recitals.

" Redeemed Units " has the meaning set forth in Section 11.1(a) .

" Redeemed Units Equivalent " means the product of (i) the Share Settlement, times (ii) the Common Unit Redemption Price.

" Redeeming Member " has the meaning set forth in Section 11.1(a) .

" Redemption " has the meaning set forth in Section 11.1(a) .

" Redemption Date " has the meaning set forth in Section 11.1(a) .

" Redemption Notice " has the meaning set forth in Section 11.1(a) .

" Redemption Right " has the meaning set forth in Section 11.1(a) .

" RE/MAX LLC " means RE/MAX, LLC, a Delaware limited liability company and a Subsidiary of the Company.

" Registration Rights Agreement " means that certain Registration Rights Agreement, dated as of the date hereof, by and between Holdings and RIHI.

" Remaining Net IPO Proceeds " has the meaning set forth in the Recitals.

" Retraction Notice " has the meaning set forth in Section 11.1(b) .

" RIHI " means RIHI, Inc., a Delaware corporation.

" RIHI Over-Allotment Option Common Unit Redemption " has the meaning set forth in the Recitals.

" RIHI Initial Common Unit Redemption " has the meaning set forth in the Recitals.

" Schedule of Members " has the meaning set forth in Section 0 .

" Securities Act " means the Securities Act of 1933, as amended, and applicable rules and regulations thereunder, and any successor to such statute, rules or regulations. Any reference herein to a specific section, rule or regulation of the Securities Act shall be deemed to include any corresponding provisions of future law.

" Securities and Exchange Commission " means the United States Securities and Exchange Commission, including any governmental body or agency succeeding to the functions thereof.

" Share Settlement " means a number of shares of Class A Common Stock equal to the number of Redeemed Units.

" Subsidiary " means, with respect to any Person, any corporation, limited liability company, partnership, association or business entity of which (i) if a corporation, a majority of

the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of the voting interests thereof are at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof; provided , however , that, notwithstanding the foregoing, each of Equity Group Insurance, LLC and Equity Home Mortgage, LLC shall be considered a Subsidiary of the Company and Brokerage. For purposes hereof, references to a "Subsidiary" of the Company shall be given effect only at such times that the Company has one or more Subsidiaries, and, unless otherwise indicated, the term "Subsidiary" refers to a Subsidiary of the Company.

" Substituted Member " means a Person that is admitted as a Member to the Company pursuant to Section 0 .

" Tax Matters Partner " has the meaning given to such term in Section 6231 of the Code.

" Tax Receivable Agreements " means those certain Tax Receivable Agreements, dated as the date hereof, by and between Holdings, on the one hand, and RIHI or WP, as the case may be, on the other hand.

" Taxable Year " means the Company's accounting period for U.S. federal income tax purposes determined pursuant to Section 0 .

" Third LLC Agreement " has the meaning set forth in the Recitals.

" Trading Day " means a day on which the New York Stock Exchange or such other principal United States securities exchange on which the Class A Common Stock is listed or admitted to trading is open for the transaction of business (unless such trading shall have been suspended for the entire day).

" Transfer " (and, with a correlative meaning, " *Transferring* ") means any sale, transfer, assignment, pledge, encumbrance or other disposition of (whether directly or indirectly, whether with or without consideration and whether voluntarily or involuntarily or by operation of law) (i) any interest (legal or beneficial) in any Unit or (ii) any equity or other interest (legal or beneficial) in any Member.

" Treasury Regulations " means the income tax regulations promulgated under the Code and any corresponding provisions of succeeding regulations.

" Underwriting Agreement " means the Underwriting Agreement, dated as of October 1, 2013, by and among Holdings, the Company, Morgan Stanley & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC.

" Unit " means a Company Interest of a Member or a permitted Assignee in the Company representing a fractional part of the Company Interests of all Members and Assignees, whether a Preferred Unit or a Common Unit; provided , however , that any class or group of Units issued

shall have the relative rights, powers and duties set forth in this Agreement, and the Company Interest represented by such class or group of Units shall be determined in accordance with such relative rights, powers and duties.

" Unitholder " means a Common Unitholder or a Preferred Unitholder.

" Unvested Holdings Shares " means shares of Class A Common Stock issued pursuant to the Omnibus Incentive Plan that are not Vested Holdings Shares.

" Vested Holdings Shares " has the meaning set forth in Section 0(ii) .

" WP " means Weston Presidio V, L.P., and its Affiliates.

" WP Common Unit Redemption " has the meaning set forth in the Recitals.

" WP Preferred Unit Redemption " has the meaning set forth in the Recitals.

ARTICLE II

ORGANIZATIONAL MATTERS

2.1 **Formation of Company** . The Company was formed on April 7, 2010 pursuant to the provisions of the Delaware Act.

2.2 **Fourth Amended and Restated Limited Liability Company Agreement** . The Members hereby execute this Agreement for the purpose of establishing the affairs of the Company and the conduct of its business in accordance with the provisions of the Delaware Act. The Members hereby agree that during the term of the Company set forth in Section 0 the rights and obligations of the Members with respect to the Company will be determined in accordance with the terms and conditions of this Agreement and the Delaware Act. On any matter upon which this Agreement is silent, the Delaware Act shall control. No provision of this Agreement shall be in violation of the Delaware Act and to the extent any provision of this Agreement is in violation of the Delaware Act, such provision shall be void and of no effect to the extent of such violation without affecting the validity of the other provisions of this Agreement; provided , however , that where the Delaware Act provides that a provision of the Delaware Act shall apply "unless otherwise provided in a limited liability company agreement" or words of similar effect, the provisions of this Agreement shall in each instance control; provided further , that notwithstanding the foregoing, Section 18-210 of the Delaware Act shall not apply or be incorporated into this Agreement.

2.3 **Name** . The name of the Company shall be "RMCO, LLC." The Manager in its sole discretion may change the name of the Company at any time and from time to time. Notification of any such change shall be given to all of the Members. The Company's business may be conducted under its name and/or any other name or names deemed advisable by the Manager.

2.4 **Purpose** . The primary business and purpose of the Company shall be to engage in such activities as are permitted under the Delaware Act and determined from time to time by the Manager in accordance with the terms and conditions of this Agreement.

2.5 **Principal Office; Registered Office** . The principal office of the Company shall be at 5075 S. Syracuse Street, Denver, Colorado 80237, or such other place as the Manager may from time to time designate. The address of the registered office of the Company in the State of Delaware shall be c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, and the registered agent for service of process on the Company in the State of Delaware at such registered office shall be The Corporation Trust Company.

2.6 **Term** . The term of the Company commenced upon the filing of the Certificate in accordance with the Delaware Act and shall continue in existence until termination and dissolution thereof in accordance with the provisions of Article XIV .

2.7 **No State -Law Partnership** . The Members intend that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member by virtue of this Agreement, for any purposes other than as set forth in the last sentence of this Section 0 , and neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise. The Members intend that the Company shall be treated as a partnership for U.S. federal and, if applicable, state or local income tax purposes, and that each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE III

UNITS; INITIAL CAPITALIZATION; MEMBERS

3.1 **Members .**

(a) Each of the Original Members previously was admitted as a Member to the Company pursuant to the Third LLC Agreement. At the Effective Time and concurrently with the Common Unit Purchase, Holdings shall be admitted to the Company as a Member.

(b) The Company shall maintain a schedule setting forth: (i) the name and address of each Member; (ii) the aggregate number of outstanding Units and the number and class of Units held by each Member; (iii) the aggregate amount of cash Capital Contributions that have been made by the Members with respect to their Units; and (iv) the Fair Market Value of any property other than cash contributed by the Members with respect to their Units (including, if applicable, a description and the amount of any liability assumed by the Company or to which contributed property is subject) (such schedule, the " Schedule of Members "). The applicable Schedule of Members in effect as of the Effective Time is set forth as " Schedule I " to this Agreement. The Schedule of Members shall be the definitive record of ownership of each Unit of the Company and all relevant information with respect to each Member. The Company shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim

to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Delaware Act.

(c) No Member shall be required or, except as approved by the Manager pursuant to Section 0 and in accordance with the other provisions of this Agreement, permitted to loan any money or property to the Company or borrow any money or property from the Company.

3.2 **Units** . Interests in the Company shall be represented by Units, or such other securities of the Company, in each case as the Manager may establish in its discretion in accordance with the terms and subject to the restrictions hereof. Immediately after the Effective Time, and prior to the WP Preferred Unit Redemption, the Units will be comprised of two classes: (i) "Preferred Units" (with 2,429,930 Preferred Units being authorized for issuance by the Company); and (ii) "Common Units" (with 180,000,000 Common Units being authorized for issuance by the Company).

3.3 **Recapitalization and Split; Holdings Capital Contribution; Holdings Purchase of Common Units; Redemptions** .

(a) Recapitalization and Split. In connection with the Recapitalization, immediately upon the Effective Time, the aggregate number of 150,000 Class A Preferred Units (as defined in the Third LLC Agreement) that were issued and outstanding and held by WP prior to the execution and effectiveness of this Agreement are hereby converted into 2,429,930 Preferred Units and 3,750,000 Common Units. The Preferred Units received by WP have an aggregate liquidation preference of $49,850,000 and reflect the preferred Company Interest previously held by WP and reflected in Sections 4.1(a)(i), (ii), and (iii) and other applicable provisions of the Third LLC Agreement. At the same time, and also in connection with the Recapitalization, immediately upon the Effective Time, the aggregate number of 847,500 Class B Common Units (as defined in the Third LLC Agreement) that were issued and outstanding and held by RIHI prior to the execution and effectiveness of this Agreement are converted hereby into 21,187,500 Common Units. The number of Common Units received by each of WP and RIHI reflect a 25:1 (twenty-five to one) split of the residual common Company Interest previously held by each of WP and RIHI and reflected in Section 4.1(a)(iv) and other applicable provisions of the Third LLC Agreement. Following the Recapitalization and in connection therewith, immediately upon the Effective Time, the Company will be deemed to have distributed one share of Class B Common Stock to RIHI. Such Class B Common Stock will be issued by Holdings to the Company in exchange for both the Common Units to be purchased by Holdings in connection with the Common Unit Purchase and Holdings' rights as Manager transferred to it by the Company as provided for in this Agreement.

(b) Holdings Contribution. Following the Recapitalization and Holdings' purchase of the HBN/Tails Assets, immediately upon the Effective Time, Holdings will contribute the HBN/Tails Assets to the Company in exchange for 1,330,977 Common Units pursuant to the Contribution Agreement. The HBN/Tails Contribution and subsequent receipt of Common Units by Holdings shall be reflected on Schedule I.

(c) Holdings Common Unit Purchase. Following the HBN/Tails Contribution, immediately after the Effective Time, Holdings will contribute the Remaining Net IPO Proceeds to the Company in exchange for 8,669,023 Common Units pursuant to the Common Unit Purchase Agreement (the " Common Unit Purchase "). The Common Unit Purchase shall be reflected on Schedule I.

(d) WP Preferred Unit Redemption. Following the Common Unit Purchase, immediately after the Effective Time, the Preferred Units that were issued to WP pursuant to Section 0 of this Agreement shall be redeemed by the Company with a portion of the Remaining Net IPO Proceeds received from Holdings for the aggregate amount of $49,850,000 (the " Preferred Unit Redemption Amount "). All of the issued and outstanding Preferred Units automatically shall terminate and cease to be outstanding on payment of the Preferred Unit Redemption Amount to which each Preferred Unit is entitled under Section 0 and the Company shall cease to have authorized Preferred Units. The WP Preferred Unit Redemption shall be reflected on Schedule I.

(e) Common Unit Redemptions. Following the WP Preferred Unit Redemption, immediately after the Effective Time, the Company will use the rest of the Remaining Net IPO Proceeds to redeem 3,750,000 Common Units held by WP and thereafter the Company will use the Remaining Net IPO Proceeds to redeem 1,952,900 Common Units held by RIHI. The WP Common Unit Redemption and the RIHI Initial Common Unit Redemption shall be reflected on Schedule I.

(f) Over-Allotment Option Common Unit Redemptions. If the Over-Allotment Option is exercised in whole or in part, immediately upon the closing of the Over-Allotment Option, the Net Over-Allotment Proceeds from such exercise shall be paid by Holdings to the Company in order to purchase newly issued Common Units pursuant to the Common Unit Purchase Agreement. Following the Company's receipt of any such Net Over-Allotment Proceeds from Holdings in exchange for the Company's delivery of newly issued Common Units to Holdings, the Company shall, in turn, pay such Net Over-Allotment Proceeds to RIHI to redeem additional Common Units held by RIHI. Any additional Class A Common Stock sold as a result of the exercise of the Over-Allotment Option shall be sold at the same price as the Class A Common Stock sold in connection with the IPO and the price per Common Unit paid to redeem additional Common Units held by RIHI shall be the same priced paid with respect to the WP Common Unit Redemption and the RIHI Initial Common Unit Redemption. The RIHI Over-Allotment Option Common Unit Redemption, to the extent it occurs, shall be reflected on Schedule I, which shall be amended as necessary or appropriate following the IPO Closing Date.

3.4 **Authorization and Issuance of Additional Units .**

(a) The Company shall undertake all actions, including, without limitation, a reclassification, distribution, division or recapitalization, with respect to the Common Units, to maintain at all times a one-to-one ratio between the number of Common Units owned by Holdings and the number of outstanding shares of Class A Common Stock, disregarding, for purposes of maintaining the one-to-one ratio, Unvested Holdings Shares, treasury stock, preferred stock or other securities of Holdings that are not convertible into or exercisable or

exchangeable for Class A Common Stock. In the event Holdings issues, transfers from treasury stock or repurchases Class A Common Stock in a transaction not contemplated in this Agreement, the Manager shall have the authority to take all actions such that, after giving effect to all such issuances, transfers or repurchases, the number of outstanding Common Units owned by Holdings will equal on a one-for-one basis the number of outstanding shares of Class A Common Stock. In the event Holdings issues, transfers from treasury stock or repurchases Holdings preferred stock in a transaction not contemplated in this Agreement, the Manager shall have the authority to take all actions such that, after giving effect to all such issuances, transfers or repurchases, Holdings holds mirror equity interests in the Company which (in the good faith determination by the Manager) are in the aggregate substantially equivalent to the outstanding Holdings preferred stock. The Company shall not undertake any subdivision (by any Unit split, Unit distribution, reclassification, recapitalization or similar event) or combination (by reverse Unit split, reclassification, recapitalization or similar event) of the Units that is not accompanied by an identical subdivision or combination of Class A Common Stock to maintain at all times a one-to-one ratio between the number of Common Units owned by Holdings and the number of outstanding shares of Class A Common Stock, unless such action is necessary to maintain at all times a one-to-one ratio between the number of Common Units owned by Holdings and the number of outstanding shares of Class A Common Stock as contemplated by the first sentence of this Section 0 .

(b) The Company shall only be permitted to issue additional Units or other Equity Securities in the Company to the Persons and on the terms and conditions provided for in Section 0 and this Section 0 . Subject to the foregoing, the Manager may cause the Company to issue additional Common Units authorized under this Agreement at such times and upon such terms as the Manager shall determine and the Manager shall amend this Agreement as necessary in connection with the issuance of additional Common Units and admission of additional Members under this Section 0 .

(c) Equity Compensation Issued by Holdings .

(i) In connection with the exercise of Options, Holdings shall have the right to acquire additional Common Units from the Company. Holdings shall exercise its rights under this Section 0 by giving written notice (the " Equity Compensation Notice ") to the Company and all Members following exercise of the Options. The Equity Compensation Notice shall specify the net number of shares of Class A Common Stock issued by Holdings pursuant to exercise of the Options. The Company shall issue the Common Units to which Holdings is entitled under this Section 0 within three (3) Business Days after delivery of the Equity Compensation Notice (to be effective immediately prior to the close of business on such date). The number of additional Common Units that Holdings shall be entitled to receive under this Section 0 shall be equal to the net number of shares of Class A Common Stock issued by Holdings pursuant to the exercise of the Options. The net number of shares of Class A Common Stock issued by Holdings pursuant to exercise of the Options shall be equal to (i) the number of shares of Class A Common Stock with respect to which the Options were exercised, less (ii) any shares of Class A Common Stock transferred to or withheld by Holdings in satisfaction of the exercise price or taxes payable as a result of the exercise of the Options. In consideration of the Common Units issued by the Company to Holdings under this Section 0 , Holdings shall contribute to the Company the cash consideration, if any, received by Holdings in exchange for

the net shares of Class A Common Stock issued pursuant to exercise of the Options. Holdings shall contribute any cash consideration to which the Company is entitled under this Section 0 on the same date (and to be effective as of the same time) that the Company issues the Common Units to Holdings.

(ii) In connection with the grant of Class A Common Stock pursuant to the Omnibus Incentive Plan (including, without limitation, the issuance of restricted and non-restricted Class A Common Stock, the payment of bonuses in Class A Common Stock, the issuance of Class A Common Stock in settlement of restricted stock units, stock appreciation rights or otherwise), other than through the exercise of Options as contemplated in Section 0 , Holdings shall deliver an Equity Compensation Notice to the Company and all Members following the date on which shares of such Class A Common Stock are vested for U.S. federal income tax purposes (" Vested Holdings Shares "). The Equity Compensation Notice shall specify the number of Vested Holdings Shares, which shall be net of any shares of Class A Common Stock transferred to or withheld by Holdings in satisfaction of taxes payable as a result of the vesting or issuance of such shares. Within three (3) Business Days after delivery of the Equity Compensation Notice (to be effective immediately prior to the close of business on such date) (i) the Company shall (x) issue to Holdings a number of Common Units equal to the number of Vested Holdings Shares, and (y) make a special distribution to Holdings (to the extent such distribution is not restricted under the Credit Agreement) in respect of such Common Units in an amount equal to any dividends or dividend equivalents paid or payable by Holdings in respect of such Vested Holdings Shares (provided that (i) the related dividend record date preceded the date such Vested Holdings Shares became Vested Holdings Shares and (ii) Holdings has not been, and will not be, reimbursed for such dividend or dividend equivalent payments pursuant to the Management Services Agreement or otherwise), and (ii) Holdings shall contribute to the Company any cash consideration received by Holdings in respect of such Vested Holdings Shares.

3.5 **Repurchase or Redemption of Class A Shares.** If, at any time, any shares of Class A Common Stock are repurchased or redeemed (whether by exercise of a put or call, automatically or by means of another arrangement) by Holdings for cash, then the Manager shall cause the Company, immediately prior to such repurchase or redemption of Class A Common Stock, to redeem a corresponding number of Common Units held by Holdings, at an aggregate redemption price equal to the aggregate purchase or redemption price of the shares of Class A Common Stock being repurchased or redeemed by Holding (plus any expenses related thereto) and upon such other terms as are the same for the shares of Class A Common Stock being repurchased or redeemed by Holdings.

3.6 **Certificates Representing Units; Lost, Stolen or Destroyed Certificates; Registration and Transfer of Units .**

(a) Units shall not be certificated unless otherwise determined by the Manager. If the Manager determines that one or more Units shall be certificated, each such certificate shall be signed by or in the name of the Company, by the Chief Executive Officer and any other officer designated by the Manager, representing the number of Units held by such holder. Such certificate shall be in such form (and shall contain such legends) as the Manager

may determine. Any or all of such signatures on any certificate representing one or more Units may be a facsimile, engraved or printed, to the extent permitted by applicable Law.

(b) If Units are certificated, the Manager may direct that a new certificate representing one or more Units be issued in place of any certificate theretofore issued by the Company alleged to have been lost, stolen or destroyed, upon delivery to the Manager of an affidavit of the owner or owners of such certificate, setting forth such allegation. The Manager may require the owner of such lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of any such new certificate.

(c) Upon surrender to the Company or the transfer agent of the Company, if any, of a certificate for one or more Units, duly endorsed or accompanied by appropriate evidence of succession, assignment or authority to transfer, in compliance with the provisions hereof, the Company shall issue a new certificate representing one or more Units to the Person entitled thereto, cancel the old certificate and record the transaction upon its books. Subject to the provisions of this Agreement, the Manager may prescribe such additional rules and regulations as it may deem appropriate relating to the issue, Transfer and registration of Units.

3.7 **Negative Capital Accounts** . No Member shall be required to pay to any other Member or the Company any deficit or negative balance which may exist from time to time in such Member's Capital Account (including upon and after dissolution of the Company).

3.8 **No Withdrawal** . No Person shall be entitled to withdraw any part of such Person's Capital Contribution or Capital Account or to receive any Distribution from the Company, except as expressly provided herein.

3.9 **Loans From Members** . Loans by Members to the Company shall not be considered Capital Contributions. Subject to the provisions of Section 0 , the amount of any such advances shall be a debt of the Company to such Member and shall be payable or collectible in accordance with the terms and conditions upon which such advances are made.

ARTICLE IV

DISTRIBUTIONS

4.1 **Distributions .**

(a) Distributable Cash; Other Distributions. To the extent permitted by applicable Law and hereunder, Distributions to Members may be declared by the Manager out of Distributable Cash or other funds or property legally available therefor in such amounts and on such terms (including the payment dates of such Distributions) as the Manager shall determine using such record date as the Manager may designate; such Distributions shall be made to the Members as of the close of business on such record date on a pro rata basis in accordance with each Member's Percentage Interest as of the close of business on such record date; provided , however , that the Manager shall have the obligation to make Distributions as set forth in Sections 4.1(b) and 0 ; and provided further that, notwithstanding any other provision herein to the

contrary, no Distributions shall be made to any Member to the extent such Distribution would render the Company insolvent. For purposes of the foregoing sentence, insolvency means the inability of the Company to meet its payment obligations when due. Promptly following the designation of a record date and the declaration of a Distribution pursuant to this Section 0(a) , the Manager shall give notice to each Member of the record date, the amount and the terms of the Distribution and the payment date thereof. In furtherance of the foregoing, it is intended that the Manager shall, to the extent permitted by applicable Law and hereunder, have the right in its sole discretion to make Distributions to the Members pursuant to this Section 0(a) in such amounts as shall enable Holdings to pay dividends or to meet its obligations, including its obligations pursuant to the Tax Receivable Agreements (to the extent such obligations are not otherwise able to be satisfied as a result of Tax Distributions required to be made pursuant to Section 4.1(b)).

(b) Tax Distributions.

(i) On or about each date (a " Tax Distribution Date ") that is five (5) Business Days prior to (i) each date on which estimated U.S. federal income tax payments are required to be made by calendar year individual taxpayers (or, if earlier, the date on which estimated U.S. federal income tax payments are required for Holdings) and (ii) each due date for the U.S. federal income tax return of an individual calendar year taxpayer (without regard to extensions) (or, if earlier, the due date for the U.S. federal income tax return of Holdings, as determined without regard to extensions), the Company shall be required to make a Distribution to each Member of cash in an amount equal to such Member's Assumed Tax Liability, if any, for such taxable period (the " Tax Distributions "). The calculation of Assumed Tax Liability shall take into account the carryforward of prior losses and the character of tax items allocated to a Member (e.g., capital or ordinary) and shall treat each Distribution made pursuant to this Section 4.1 (b) as a payment of taxes or estimated taxes.

(ii) To the extent a Member otherwise would be entitled to receive less than its Percentage Interest of the aggregate Tax Distributions to be paid pursuant to this Section 4.1(b) on any given date, the Tax Distributions to such Member shall be increased to ensure that all Distributions made pursuant to this Section 4.1(b) are made pro rata in accordance with Percentage Interests. If, on a Tax Distribution Date, there are insufficient funds on hand to distribute to the Members the full amount of the Tax Distributions to which such Members are otherwise entitled, Distributions pursuant to this Section 4.1(b) shall be made to the Members to the extent of available funds in accordance with their Percentage Interests and the Company shall make future Tax Distributions as soon as funds become available sufficient to pay the remaining portion of the Tax Distributions to which such Members are otherwise entitled.

(iii) In the event of any audit by, or similar event with, a taxing authority that affects the calculation of any Member's Assumed Tax Liability for any taxable year, or in the event the Company files an amended return, each Member's Assumed Tax Liability with respect to such year shall be recalculated by giving effect to such event (for the avoidance of doubt, taking into account interest or penalties). Any shortfall in the amount of Tax Distributions the Members and former Members received for the relevant taxable years based on such recalculated Assumed Tax Liability promptly shall be distributed to such Members and the successors of such former Members, except, for the avoidance of doubt, to the extent

Distributions were made to such Members and former Members pursuant to Section 4.1(a) and this Section 4.1(b) in the relevant taxable years sufficient to cover such shortfall.

(iv) Notwithstanding the foregoing, Distributions pursuant to this Section 4.1(b) , if any, shall be made to a Member only to the extent all previous Distributions to such Member pursuant to Section 4.1(a) during the Fiscal Year are less than the Distributions such Member otherwise would have been entitled to receive during such Fiscal Year pursuant to this Section 4.1(b) .

4.2 **Restricted Distributions** . Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to any Member on account of any Company Interest if such Distribution would violate any applicable Law or the terms of the Credit Agreement.

ARTICLE V

CAPITAL ACCOUNTS; ALLOCATIONS; TAX MATTERS

5.1 **Capital Accounts** .

(a) The Company shall maintain a separate Capital Account for each Member according to the rules of Treasury Regulation Section 1.704-1(b)(2)(iv). For this purpose, the Company may (in the discretion of the Manager), upon the occurrence of the events specified in Treasury Regulation Section 1.704-1(b)(2)(iv)(f), increase or decrease the Capital Accounts in accordance with the rules of such Treasury Regulation and Treasury Regulation Section 1.704-1(b)(2)(iv)(g) to reflect a revaluation of Company property.

(b) For purposes of computing the amount of any item of Company income, gain, loss or deduction to be allocated pursuant to this Article V and to be reflected in the Capital Accounts of the Members, the determination, recognition and classification of any such item shall be the same as its determination, recognition and classification for U.S. federal income tax purposes (including any method of depreciation, cost recovery or amortization used for this purpose); provided , however , that:

(i) The computation of all items of income, gain, loss and deduction shall include those items described in Code Section 705(a)(l)(B) or Code Section 705(a)(2)(B) and Treasury Regulation Section 1.704-1(b)(2)(iv)(i), without regard to the fact that such items are not includable in gross income or are not deductible for U.S. federal income tax purposes.

(ii) If the Book Value of any Company property is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(f), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property.

(iii) Items of income, gain, loss or deduction attributable to the disposition of Company property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the Book Value of such property.

(iv) Items of depreciation, amortization and other cost recovery deductions with respect to Company property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the property ’s Book Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g).

(v) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis).

5.2 **Allocations** . Except as otherwise provided in Section 5.3 and Section 5.4 , Net Profits and Net Losses for any Fiscal Year or Fiscal Period shall be allocated among the Capital Accounts of the Members *pro rata* in accordance with their respective Percentage Interests.

5.3 **Regulatory Allocations** .

(a) Losses attributable to partner nonrecourse debt (as defined in Treasury Regulation Section 1.704-2(b)(4)) shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). If there is a net decrease during a Taxable Year in partner nonrecourse debt minimum gain (as defined in Treasury Regulation Section 1.704-2(i)(3)), Profits for such Taxable Year (and, if necessary, for subsequent Taxable Years) shall be allocated to the Members in the amounts and of such character as determined according to Treasury Regulation Section 1.704-2(i)(4).

(b) Nonrecourse deductions (as determined according to Treasury Regulation Section 1.704-2(b)(1)) for any Taxable Year shall be allocated pro rata among the Members in accordance with their Percentage Interests. Except as otherwise provided in Section 4.3(a) , if there is a net decrease in the Minimum Gain during any Taxable Year, each Member shall be allocated Profits for such Taxable Year (and, if necessary, for subsequent Taxable Years) in the amounts and of such character as determined according to Treasury Regulation Section 1.704-2(f). This Section 5.3(b) is intended to be a minimum gain chargeback provision that complies with the requirements of Treasury Regulation Section 1.704-2(f), and shall be interpreted in a manner consistent therewith.

(c) If any Member that unexpectedly receives an adjustment, allocation or Distribution described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6) has an Adjusted Capital Account Deficit as of the end of any Taxable Year, computed after the application of Sections 5.3(a) and 5.3(b) but before the application of any other provision of this Article V , then Profits for such Taxable Year shall be allocated to such Member in proportion to, and to the extent of, such Adjusted Capital Account Deficit. This Section 5.3(c) is intended to be a qualified income offset provision as described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted in a manner consistent therewith.

(d) Profits and Losses described in Section 5.1(b)(v) shall be allocated in a manner consistent with the manner that the adjustments to the Capital Accounts are required to be made pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(j), (k) and (m).

(e) The allocations set forth in Section 5.3(a) through and including Section 5.3(d) (the " Regulatory Allocations ") are intended to comply with certain requirements of Sections 1.704-1(b) and 1.704-2 of the Treasury Regulations. The Regulatory Allocations may not be consistent with the manner in which the Members intend to allocate Profit and Loss of the Company or make Distributions. Accordingly, notwithstanding the other provisions of this Article V , but subject to the Regulatory Allocations, income, gain, deduction, and loss shall be reallocated among the Members so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Accounts of the Members to be in the amounts (or as close thereto as possible) they would have been if Profit and Loss (and such other items of income, gain, deduction and loss) had been allocated without reference to the Regulatory Allocations. In general, the Members anticipate that this will be accomplished by specially allocating other Profit and Loss (and such other items of income, gain, deduction and loss) among the Members so that the net amount of the Regulatory Allocations and such special allocations to each such Member is zero. In addition, if in any Fiscal Year or Fiscal Period there is a decrease in partnership minimum gain, or in partner nonrecourse debt minimum gain, and application of the minimum gain chargeback requirements set forth in Section 5.3(a) or Section 5.3(b) would cause a distortion in the economic arrangement among the Members, the Members may, if they do not expect that the Company will have sufficient other income to correct such distortion, request the Internal Revenue Service to waive either or both of such minimum gain chargeback requirements. If such request is granted, this Agreement shall be applied in such instance as if it did not contain such minimum gain chargeback requirement.

5.4 **Final Allocations** . Notwithstanding any contrary provision in this Agreement except Section 5.3 , the Manager shall make appropriate adjustments to allocations of Profits and Losses to (or, if necessary, allocate items of gross income, gain, loss or deduction of the Company among) the Members upon the liquidation of the Company (within the meaning of Section 1.704 1(b)(2)(ii)(g) of the Treasury Regulations), the transfer of substantially all the Units (whether by sale or exchange or merger) or sale of all or substantially all the assets of the Company, such that, to the maximum extent possible, the Capital Accounts of the Members are proportionate to their Percentage Interests. In each case, such adjustments or allocations shall occur, to the maximum extent possible, in the Fiscal Year of the event requiring such adjustments or allocations.

5.5 **Tax Allocations** .

(a) The income, gains, losses, deductions and credits of the Company will be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses, deductions and credits among the Members for computing their Capital Accounts; provided that if any such allocation is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and credits will be allocated among the Members so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704 (c) so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value using the traditional method, as described in Treasury Regulations Section 1.704-3(b).

(c) If the Book Value of any Company asset is adjusted pursuant to Section 5.1(b) , subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c) using the traditional method, as described in Treasury Regulations Section 1.704-3 (b).

(d) Allocations of tax credits, tax credit recapture, and any items related thereto shall be allocated to the Members pro rata as determined by the Manager taking into account the principles of Treasury Regulation Section 1.704-1(b)(4)(ii).

(e) For purposes of determining a Member ’s pro rata share of the Company’s “excess nonrecourse liabilities” within the meaning of Treasury Regulation Section 1.752-3(a)(3), each Member’s interest in income and gain shall be in proportion to the Units held by such Member.

(f) Allocations pursuant to this Section 5.5 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member’s Capital Account or share of Profits, Losses, Distributions or other Company items pursuant to any provision of this Agreement.

5.6 **Indemnification and Reimbursement for Payments on Behalf of a Member** . If the Company is obligated to pay any amount to a Governmental Entity (or otherwise makes a payment to a Governmental Entity) that is specifically attributable to a Member or a Member’s status as such (including federal withholding taxes, state personal property taxes, and state unincorporated business taxes, but excluding payments such as professional association fees and the like made voluntarily by the Company on behalf of any Member based upon such Member’s status as an employee of the Company), then such Person shall indemnify the Company in full for the entire amount paid (including interest, penalties and related expenses). The Manager may offset Distributions to which a Person is otherwise entitled under this Agreement against such Person’s obligation to indemnify the Company under this Section 5.6 . A Member’s obligation to make contributions to the Company under this Section 5.6 shall survive the termination, dissolution, liquidation and winding up of the Company, and for purposes of this Section 5.6 , the Company shall be treated as continuing in existence. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 5.6 , including instituting a lawsuit to collect such contribution with interest calculated at a rate equal to the Base Rate plus three percentage points per annum (but not in excess of the highest rate per annum permitted by law).

ARTICLE VI

MANAGEMENT

6.1 **Authority of Manager** .

(a) Except for situations in which the approval of any Member(s) is specifically required by this Agreement, (i) all management powers over the business and affairs of the Company shall be exclusively vested in one manager (the " Manager ") that shall be Holdings and (ii) the Manager shall conduct, direct and exercise full control over all activities of the Company. The Manager shall be the "manager" of the Company for the purposes of the Delaware Act. Except as otherwise expressly provided for herein and subject to the other provisions of this Agreement, the Members hereby consent to the exercise by the Manager of all such powers and rights conferred on the Members by the Delaware Act with respect to the management and control of the Company. Holdings may not be removed as a Manager except as provided in Section 0 . Any Manager that is properly removed pursuant to Section 0 shall be replaced in the manner provided in Section 0 . The Original Members terminate as of the Effective Time the "Board" previously established in order to conduct the business of the Company pursuant to the Third LLC Agreement (as such term was previously defined in the Third LLC Agreement).

(b) The day -to-day business and operations of the Company shall be overseen and implemented by officers of the Company (each, an " Officer " and collectively, the " Officers "), subject to the limitations imposed by the Manager. An Officer may, but need not, be a Member. Each Officer shall be appointed by the Manager and shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he shall resign or shall have been removed in the manner hereinafter provided. Any one Person may hold more than one office. Subject to the other provisions in this Agreement (including in Section 6.8 below), the salaries or other compensation, if any, of the Officers of the Company shall be fixed from time to time by the Manager. The authority and responsibility of the Officers shall include, but not be limited to, such duties as the Manager may, from time to time, delegate to them and the carrying out of the Company's business and affairs on a day-today basis. The existing Officers of the Company as of the Effective Time shall remain in their respective positions and shall be deemed to have been appointed by the Manager.

(c) The Manager shall have the power and authority to effectuate the sale, lease, transfer, exchange or other disposition of any, all or substantially all of the assets of the Company (including the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by the Company) or the merger, consolidation, reorganization or other combination of the Company with or into another entity.

6.2 **Actions of the Manager** . The Manager may act through any Person or Persons to whom authority and duties have been delegated pursuant to Section 6.8 .

6.3 **Resignation** . The Manager may resign at any time by giving written notice to the Members. Unless otherwise specified in the notice, the resignation shall take effect upon receipt

thereof by the Members, and the acceptance of the resignation shall not be necessary to make it effective.

6.4 **Removal** . The Manager may only be removed by Holdings.

6.5 **Vacancies** . Vacancies in the position of Manager occurring for any reason shall be filled by Holdings.

6.6 **Transactions Between Company and Manager** . The Manager may cause the Company to contract and deal with the Manager, or any Affiliate of the Manager, provided such contracts and dealings are on terms comparable to and competitive with those available to the Company from others dealing at arm's length or are approved by the Members. The Members hereby approve the Management Services Agreement, the Common Unit Purchase Agreement and the Contribution Agreement.

6.7 **Expenses** . The Company will reimburse Holdings for the fees of the Holdings Board. The Members hereby approve the Management Services Agreement.

6.8 **Delegation of Authority** . The Manager (a) may, from time to time, delegate to one or more Persons such authority and duties as the Manager may deem advisable, and (b) may assign titles (including, without limitation, chief executive officer, president, principal, vice president, secretary, assistant secretary, treasurer, or assistant treasurer) and delegate certain authority and duties to such Persons as the same may be amended, restated or otherwise modified from time to time. Any number of titles may be held by the same individual. The salaries or other compensation, if any, of such agents of the Company shall be fixed from time to time by the Manager, subject to the other provisions in this Agreement.

6.9 **Lim itation of Liability of Manager** .

(a) Except as otherwise provided herein or in an agreement entered into by such Person and the Company, neither the Manager nor any of the Manager's Affiliates shall be liable to the Company or to any Member that is not the Manager for any act or omission performed or omitted by the Manager in its capacity as the sole managing member of the Company pursuant to authority granted to the Manager by this Agreement; provided , however , that, except as otherwise provided herein, such limitation of liability shall not apply to the extent the act or omission was attributable to the Manager's gross negligence, willful misconduct or knowing violation of law or for any present or future breaches of any representations, warranties or covenants by the Manager or its Affiliates contained herein or in the other agreements with the Company. The Manager may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and shall not be responsible for any misconduct or negligence on the part of any such agent (so long as such agent was selected in good faith and with reasonable care). The Manager shall be entitled to rely upon the advice of legal counsel, independent public accountants and other experts, including financial advisors, and any act of or failure to act by the Manager in good faith reliance on such advice shall in no event subject the Manager to liability to the Company or any Member that is not the Manager.

(b) Whenever this Agreement or any other agreement contemplated herein provides that the Manager shall act in a manner which is, or provide terms which are, "fair and reasonable" to the Company or any Member that is not the Manager, the Manager shall determine such appropriate action or provide such terms considering, in each case, the relative interests of each party to such agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable United States generally accepted accounting practices or principles.

(c) Whenever in this Agreement or any other agreement contemplated herein, the Manager is permitted or required to take any action or to make a decision in its "sole discretion" or "discretion," with "complete discretion" or under a grant of similar authority or latitude, the Manager shall be entitled to consider such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable law, have no duty or obligation to give any consideration to any interest of or factors affecting the Company or other Members.

(d) Whenever in this Agreement the Manager is permitted or required to take any action or to make a decision in its "good faith" or under another express standard, the Manager shall act under such express standard and, to the extent permitted by applicable law, shall not be subject to any other or different standards imposed by this Agreement or any other agreement contemplated herein, and, notwithstanding anything contained herein to the contrary, so long as the Manager acts in good faith, the resolution, action or terms so made, taken or provided by the Manager shall not constitute a breach of this Agreement or any other agreement contemplated herein or impose liability upon the Manager or any of the Manager's Affiliates.

6.10 **Investment Company Act .** The Manager shall use its best efforts to ensure that the Company shall not be subject to registration as an investment company pursuant to the Investment Company Act.

ARTICLE VII

RIGHTS AND OBLIGATIONS OF MEMBERS

7.1 **Limitation of Liability of Members** .

(a) Except as provided in this Agreement or in the Delaware Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company and no Member (including without limitation, the Manager) shall be obligated personally for any such debts, obligation or liability solely by reason of being a Member or acting as the Manager of the Company. Except as otherwise provided in this Agreement, a Member 's liability (in its capacity as such) for Company liabilities and Losses shall be limited to the Company's assets. Notwithstanding anything contained herein to the contrary, the failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business and affairs under this Agreement or the Delaware Act shall not be grounds for imposing personal liability on the Members for liabilities of the Company.

(b) In accordance with the Delaware Act and the laws of the State of Delaware, a Member may, under certain circumstances, be required to return amounts previously distributed to such Member. It is the intent of the Members that no Distribution to any Member pursuant to Article IV shall be deemed a return of money or other property paid or distributed in violation of the Delaware Act. The payment of any such money or Distribution of any such property to a Member shall be deemed to be a compromise within the meaning of Section 18-502(b) of the Act, and, to the fullest extent permitted by law, any Member receiving any such money or property shall not be required to return any such money or property to the Company or any other Person. However, if any court of competent jurisdiction holds that, notwithstanding the provisions of this Agreement, any Member is obligated to make any such payment, such obligation shall be the obligation of such Member and not of any other Member.

7.2 **Lack of Authority** . No Member, other than the Manager, in its capacity as such, has the authority or power to act for or on behalf of the Company, to do any act that would be binding on the Company or to make any expenditure on behalf of the Company. The Members hereby consent to the exercise by the Manager of the powers conferred on them by law and this Agreement.

7.3 **No Right of Partition** . No Member, other than the Manager, shall have the right to seek or obtain partition by court decree or operation of law of any Company property, or the right to own or use particular or individual assets of the Company.

7.4 **Indemnification** .

(a) Subject to Section 5.6 , the Company hereby agrees to indemnify and hold harmless any Person (each an " Indemnified Person ") to the fullest extent permitted under the Delaware Act, as the same now exists or may hereafter be amended, substituted or replaced (but, in the case of any such amendment, substitution or replacement only to the extent that such amendment, substitution or replacement permits the Company to provide broader indemnification rights than the Company is providing immediately prior to such amendment), against all expenses, liabilities and losses (including attorneys' fees, judgments, fines, excise taxes or penalties) reasonably incurred or suffered by such Person (or one or more of such Person's Affiliates) by reason of the fact that such Person is or was a Member or is or was serving as the Manager, Officer, principal, employee or other agent of the Company or is or was serving at the request of the Company as a manager, officer, director, principal, member, employee or agent of another corporation, partnership, joint venture, limited liability company, trust or other enterprise; provided , however , that no Indemnified Person shall be indemnified for any expenses, liabilities and losses suffered that are attributable to such Indemnified Person's or its Affiliates' gross negligence, willful misconduct or knowing violation of law or for any present or future breaches of any representations, warranties or covenants by such Indemnified Person or its Affiliates contained herein or in the other agreements with the Company. Expenses, including attorneys' fees, incurred by any such Indemnified Person in defending a proceeding shall be paid by the Company in advance of the final disposition of such proceeding, including any appeal therefrom, upon receipt of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall ultimately be determined that such Indemnified Person is not entitled to be indemnified by the Company.

(b) The right to indemnification and the advancement of expenses conferred in this Section 0 shall not be exclusive of any other right which any Person may have or hereafter acquire under any statute, agreement, by-law, action by the Manager or otherwise.

(c) The Company shall maintain directors ' and officers' liability insurance, or substantially equivalent insurance, at its expense, to protect any Indemnified Person (and the investment funds, if any, they represent) against any expense, liability or loss described in Section 0 whether or not the Company would have the power to indemnify such Indemnified Person against such expense, liability or loss under the provisions of this Section 0 . The Company shall use its commercially reasonable efforts to purchase and maintain property, casualty and liability insurance in types and at levels customary for companies of similar size engaged in similar lines of business, as determined in good faith by the Manager, and the Company shall use its commercially reasonable efforts to purchase directors' and officers' liability insurance (including employment practices coverage) with a carrier and in an amount determined necessary or desirable as determined in good faith by the Manager.

(d) Notwithstanding anything contained herein to the contrary (including in this Section 0), any indemnity by the Company relating to the matters covered in this Section 0 shall be provided out of and to the extent of Company assets only and no Member (unless such Member otherwise agrees in writing or is found in a final decision by a court of competent jurisdiction to have personal liability on account thereof) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity of the Company.

(e) If this Section 0 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Indemnified Person pursuant to this Section 0 to the fullest extent permitted by any applicable portion of this Section 0 that shall not have been invalidated and to the fullest extent permitted by applicable law.

7.5 **Members Right to Act** . For matters that require the approval of the Members, the Members shall act through meetings and written consents as described in paragraphs (a) and (b) below:

(a) Except as otherwise expressly provided by this Agreement, acts by the Members holding a majority of the Units, voting together as a single class, shall be the acts of the Members. Any Member entitled to vote at a meeting of Members or to express consent or dissent to Company action in writing without a meeting may authorize another person or persons to act for it by proxy. An electronic mail, telegram, telex, cablegram or similar transmission by the Member, or a photographic, photostatic, facsimile or similar reproduction of a writing executed by the Member shall (if stated thereon) be treated as a proxy executed in writing for purposes of this Section 0 . No proxy shall be voted or acted upon after eleven months from the date thereof, unless the proxy provides for a longer period. A proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and that the proxy is coupled with an interest. Should a proxy designate two or more Persons to act as proxies, unless that instrument shall provide to the contrary, a majority of such Persons present at any meeting at which their powers thereunder are to be exercised shall have and may exercise all the powers of voting or giving

consents thereby conferred, or, if only one be present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, the Company shall not be required to recognize such proxy with respect to such issue if such proxy does not specify how the votes that are the subject of such proxy are to be voted with respect to such issue.

(b) The actions by the Members permitted hereunder may be taken at a meeting called by the Manager or by the Members holding a majority of the Units entitled to vote on such matter on at least 48 hours' prior written notice to the other Members entitled to vote, which notice shall state the purpose or purposes for which such meeting is being called. The actions taken by the Members entitled to vote or consent at any meeting (as opposed to by written consent), however called and noticed, shall be as valid as though taken at a meeting duly held after regular call and notice if (but not until), either before, at or after the meeting, the Members entitled to vote or consent as to whom it was improperly held signs a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof. The actions by the Members entitled to vote or consent may be taken by vote of the Members entitled to vote or consent at a meeting or by written consent, so long as such consent is signed by Members having not less than the minimum number of Units that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Prompt notice of the action so taken, which shall state the purpose or purposes for which such consent is required and may be delivered via email, without a meeting shall be given to those Members entitled to vote or consent who have not consented in writing; provided , however , that the failure to give any such notice shall not affect the validity of the action taken by such written consent.. Any action taken pursuant to such written consent of the Members shall have the same force and effect as if taken by the Members at a meeting thereof.

7.6 **Inspection Rights** . The Company shall permit each Member and each of its designated representatives to (i) visit and inspect any of the properties of the Company and its Subsidiaries, all at reasonable times and upon reasonable notice, (ii) examine the corporate and financial records of the Company or any of its Subsidiaries and make copies thereof or extracts therefrom, (iii) consult with the managers, officers, employees and independent accountants of the Company or any of its Subsidiaries concerning the affairs, finances and accounts of the Company or any of its Subsidiaries. The presentation of an executed copy of this Agreement by any Member to the Company's independent accountants shall constitute the Company's permission to its independent accountants to participate in discussions with such Persons and their respective designated representatives.

ARTICLE VIII

BOOKS, RECORDS, ACCOUNTING AND REPORTS, AFFIRMATIVE COVENANTS

8.1 **Records and Accounting** . The Company shall keep, or cause to be kept, appropriate books and records with respect to the Company's business, including all books and records necessary to provide any information, lists and copies of documents required to be provided pursuant to Section 0 or pursuant to applicable laws. All matters concerning (a) the determination of the relative amount of allocations and Distributions among the Members pursuant to Articles III and IV and (b) accounting procedures and determinations, and other

determinations not specifically and expressly provided for by the terms of this Agreement, shall be determined by the Manager, whose determination shall be final and conclusive as to all of the Members absent manifest clerical error.

8.2 **Fiscal Year** . The Fiscal Year of the Company shall end on December 31 of each year or such other date as may be established by the Manager.

8.3 **Reports** . The Company shall deliver or cause to be delivered, within 90 days after the end of each Fiscal Year, to each Person who was a Member at any time during such Fiscal Year, all information reasonably necessary for the preparation of such Person's United States federal and applicable state income tax returns.

ARTICLE IX

TAX MATTERS

9.1 **Preparation of Tax Returns** . The Company shall arrange for the preparation and timely filing of all tax returns required to be filed by the Company. On or before March 15, June 15, September 15, and December 15 of each Fiscal Year, the Company shall send to each Person who was a Member at any time during the prior quarter, an estimate of such Member's state tax apportionment information and allocations to the Members of taxable income, gains, losses deductions and credits for the prior quarter, which estimate shall have been reviewed by the Company's outside tax accountants. In addition, no later than the later of (i) March 15 following the end of the prior Fiscal Year, and (ii) five (5) Business Days after the issuance of the final audit report for a Fiscal Year by the Company's auditors, the Company shall send to each Person who was a Member at any time during such Fiscal Year, a statement showing such Member's final state tax apportionment information and allocations to the Members of taxable income, gains, losses deductions and credits for such Fiscal Year and a completed IRS Schedule K-1. Each Member shall notify the other Members upon receipt of any notice of tax examination of the Company by federal, state or local authorities. In its capacity as Tax Matters Partner, Holdings shall have the authority to prepare the tax returns of the Company using such permissible methods and elections as it determines in its reasonable discretion, including without limitation the use of any permissible method under Section 706 of the Code for purposes of determining the varying Company Interests of its Members.

9.2 **Tax Elections** . The Taxable Year shall be the Fiscal Year set forth in Section 0 . The Company shall make an election pursuant to Section 754 of the Code, shall not thereafter revoke such election and shall make a new election pursuant to Section 754 to the extent necessary following any "termination" of the Company under Section 708 of the Code. Each Member will upon request supply any information reasonably necessary to give proper effect to any such elections.

9.3 **Tax Controversies** . Holdings is hereby designated the Tax Matters Partner and is authorized and required to represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Company funds for professional services reasonably incurred in connection therewith. Each Member agrees to cooperate with the

Company and to do or refrain from doing any or all things reasonably requested by the Company with respect to the conduct of such proceedings. The Tax Matters Partners shall keep all Members fully informed of the progress of any examinations, audits or other proceedings, and all Members shall have the right to participate at their expense in any such examinations, audits or other proceedings. Notwithstanding the foregoing, the Tax Matters Partners shall not settle or otherwise compromise any issue in any such examination, audit or other proceeding without first obtaining approval of the Manager. Nothing herein shall diminish, limit or restrict the rights of any Member under Subchapter C, Chapter 63, Subtitle F of the Code (Code Sections 6221 *et seq* .).

ARTICLE X

RESTRICTIONS ON TRANSFER OF UNITS; PREEMPTIVE RIGHTS

10.1 **Transfers by Members** . No holder of Units may Transfer any interest in any Units, except Transfers (a) pursuant to and in accordance with Section 0 or (b) approved in writing by the Manager. Notwithstanding the foregoing, " Transfer " shall not include an event that terminates the existence of a Member for income tax purposes (including, without limitation, a change in entity classification of a Member under Treasury Regulations Section 301.7701-3, termination of a partnership pursuant to Code Section 708(b)(1)(B), a sale of assets by, or liquidation of, a Member pursuant to an election under Code Section 338, or merger, severance, or allocation within a trust or among sub-trusts of a trust that is a Member), but that does not terminate the existence of such Member under applicable state law (or, in the case of a trust that is a Member, does not terminate the trusteeship of the fiduciaries under such trust with respect to all the Company Interests of such trust that is a Member).

10.2 **Permitted Transfers** . The restrictions contained in Section 0 shall not apply to any Transfer (each, a " Permitted Transfer ") pursuant to (i) a Change of Control Transaction, (ii) a Transfer by any Member to such Member's spouse, any lineal ascendants or descendents or trusts or other entities in which such Member or Member's spouse, lineal ascendants or descendents hold (and continue to hold while such trusts or other entities hold Units) 50% or more of such entity's beneficial interests, (iii) pursuant to the laws of descent and distribution and (iv) if such Transfer is made by an Original Member, a Transfer to a partner, shareholder or member of such Original Member; provided , however , that (A) the restrictions contained in this Agreement will continue to apply to Units after any Permitted Transfer of such Units pursuant to the foregoing clauses (ii), (iii) and (iv), and (B) the transferees of the Units so Transferred shall agree in writing to be bound by the provisions of this Agreement and, the transferor will deliver a written notice to the Company and the Members, which notice will disclose in reasonable detail the identity of the proposed transferee. In the case of a Permitted Transfer by RIHI to a transferee in accordance with this Section 10.2 , RIHI shall be required to also transfer the fraction of its remaining Class B Common Stock ownership corresponding to the proportion of RIHI's Units that were transferred in the transaction to such transferee, it being understood that in the event such transfer is to any transferee other than David L. Liniger, the voting rights of the Class B Common Stock transferred to such transferee shall be reduced to one vote for each Unit held by such transferee.

10.3 **Restricted Units Legend** . The Units have not been registered under the Securities Act and, therefore, in addition to the other restrictions on Transfer contained in this Agreement, cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is then available. To the extent such Units have been certificated, each certificate evidencing Units and each certificate issued in exchange for or upon the Transfer of any Units (if such securities remain Units as defined herein after such Transfer) shall be stamped or otherwise imprinted with a legend in substantially the following form:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON OCTOBER 1, 2013, AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION THEREUNDER. THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE ALSO SUBJECT TO ADDITIONAL RESTRICTIONS ON TRANSFER SPECIFIED IN THE FOURTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF RMCO, LLC, AS MAY BE AMENDED AND MODIFIED FROM TIME TO TIME, AND RMCO, LLC RESERVES THE RIGHT TO REFUSE THE TRANSFER OF SUCH SECURITIES UNTIL SUCH CONDITIONS HAVE BEEN FULFILLED WITH RESPECT TO ANY TRANSFER. A COPY OF SUCH CONDITIONS SHALL BE FURNISHED BY RMCO, LLC TO THE HOLDER HEREOF UPON WRITTEN REQUEST AND WITHOUT CHARGE."

The Company shall imprint such legend on certificates (if any) evidencing Units. The legend set forth above shall be removed from the certificates (if any) evidencing any units which cease to be Units in accordance with the definition thereof.

10.4 **Transfer** . Prior to Transferring any Units (other than pursuant to a Change of Control Transaction), the Transferring Holder of Units shall cause the prospective Transferee to be bound by this Agreement and any other agreements executed by the holders of Units and relating to such Units in the aggregate (collectively, the " Other Agreements "), and shall cause the prospective Transferee to execute and deliver to the Company and the other holders of Units counterparts of this Agreement and any applicable Other Agreements. Any Transfer or attempted Transfer of any Units in violation of any provision of this Agreement (including any prohibited indirect Transfers) (a) shall be void, and (b) the Company shall not record such Transfer on its books or treat any purported Transferee of such Units as the owner of such securities for any purpose.

10.5 **Assignee 's Rights** .

(a) The Transfer of a Company Interest in accordance with this Agreement shall be effective as of the date of its assignment (assuming compliance with all of the conditions to such Transfer set forth herein), and such Transfer shall be shown on the books and records of the Company. Profits, Losses and other Company items shall be allocated between the transferor and the Assignee according to Code Section 706, using any permissible method as determined in

the reasonable discretion of the Manager. Distributions made before the effective date of such Transfer shall be paid to the transferor, and Distributions made after such date shall be paid to the Assignee.

(b) Unless and until an Assignee becomes a Member pursuant to Article XII , the Assignee shall not be entitled to any of the rights granted to a Member hereunder or under applicable law, other than the rights granted specifically to Assignees pursuant to this Agreement; provided , however , that, without relieving the transferring Member from any such limitations or obligations as more fully described in Section 0 , such Assignee shall be bound by any limitations and obligations of a Member contained herein that a Member would be bound on account of the Assignee's Company Interest (including the obligation to make Capital Contributions on account of such Company Interest).

10.6 **Assignor 's Rights and Obligations** . Any Member who shall Transfer any Company Interest in a manner in accordance with this Agreement shall cease to be a Member with respect to such Units or other interest and shall no longer have any rights or privileges, or, except as set forth in this Section 0 , duties, liabilities or obligations, of a Member with respect to such Units or other interest (it being understood, however, that the applicable provisions of Sections 6.9 and 0 shall continue to inure to such Person's benefit), except that unless and until the Assignee (if not already a Member) is admitted as a Substituted Member in accordance with the provisions of Article XII (the " Admission Date "), (i) such assigning Member shall retain all of the duties, liabilities and obligations of a Member with respect to such Units or other interest, and (ii) the Manager may, in its sole discretion, reinstate all or any portion of the rights and privileges of such Member with respect to such Units or other interest for any period of time prior to the Admission Date. Nothing contained herein shall relieve any Member who Transfers any Units or other interest in the Company from any liability of such Member to the Company with respect to such Company Interest that may exist on the Admission Date or that is otherwise specified in the Delaware Act and incorporated into this Agreement or for any liability to the Company or any other Person for any materially false statement made by such Member (in its capacity as such) or for any present or future breaches of any representations, warranties or covenants by such Member (in its capacity as such) contained herein or in the other agreements with the Company.

10.7 **Overriding Provisions**

(a) Any Transfer in violation of this Article X shall be null and void ab initio, and the provisions of Sections 0 and 0 shall not apply to any such Transfers. For the avoidance of doubt, any Person to whom a Transfer is made or attempted in violation of this Article X shall not become a Member, shall not be entitled to vote on any matters coming before the Members and shall not have any other rights in or with respect to any rights of a Member of the Company. The approval of any Transfer in any one or more instances shall not limit or waive the requirement for such approval in any other or future instance. The Manager shall promptly amend the Schedule of Members to reflect any Permitted Transfer pursuant to this Article X .

(b) Notwithstanding anything contained herein to the contrary (including, for the avoidance of doubt, the provisions of Section 0 and Article XI and Article XII), in no event shall any Member Transfer any Units to the extent such Transfer would:

(i) result in the violation of the Securities Act, or any other applicable federal, state or foreign laws;

(ii) cause an assignment under the Investment Company Act;

(iii) be a violation of or a default (or an event that, with notice or the lapse of time or both, would constitute a default) under, or result in an acceleration of any indebtedness under, any note, mortgage, loan agreement or similar instrument or document to which the Company or the Manager is a party;

(iv) cause the Company to lose its status as a partnership for federal income tax purposes and, without limiting the generality of the foregoing, such Transfer was effected on or through an "established securities market" or a "secondary market or the substantial equivalent thereof," as such terms are used in Section 1.7704-1 of the Treasury Regulations;

(v) be a Transfer to a Person who is not legally competent or who has not achieved his or her majority under applicable Law (excluding tr usts for the benefit of minors);

(vi) cause the Company to be treated as a "publicly traded partnership" or to be taxed as a corporation pursuant to Section 7704 of the Code or successor provision of the Code; or

(vii) result in the Company having more than one hundred (100) partners, within the meaning of Treasury Regulations Section 1.7704-1(h)(1) (determined pursuant to the rules of Treasury Regulations Section 1.7704-1(h)(3)).

ARTICLE XI

REDEMPTION AND EXCHANGE RIGHTS

11.1 **Redemption Right of a Member** .

(a) Each Member (other than Holdings) shall be entitled to cause the Company to redeem (a " Redemption ") its Common Units (the " Redemption Right ") at any time following the expiration of the lock-up period under the lock-up agreement, dated as of July 12, 2013, executed by RIHI. A Member desiring to exercise its Redemption Right (the " Redeeming Member ") shall exercise such right by giving written notice (the " Redemption Notice ") to the Company with a copy to Holdings. The Redemption Notice shall specify the number of Common Units (the " Redeemed Units ") that the Redeeming Member intends to have the Company redeem and a date, not less than seven (7) Business Days nor more than ten (10) Business Days after delivery of the Redemption Notice, on which exercise of the Redemption Right shall be completed (the " Redemption Date "). Unless the Redeeming Member timely has delivered a Retraction Notice as provided in Section 11.1(b) or has revoked or delayed a Redemption as provided in Section 11.1(c) , on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) the Redeeming Member shall transfer and surrender the Redeemed Units to the Company, free and clear of all liens and encumbrances, and

(ii) the Company shall (x) cancel the Redeemed Units, (y) transfer to the Redeeming Member the consideration to which the Redeeming Member is entitled under Section 11.1(b) , and (z), if the Units are certificated, issue to the Redeeming Member a certificate for a number of Common Units equal to the difference (if any) between the number of Common Units evidenced by the certificate surrendered by the Redeeming Member pursuant to clause (i) of this Section 11.1(a) and the Redeemed Units.

(b) In exercising its Redem ption Right, a Redeeming Member shall be entitled to receive the Share Settlement or the Cash Settlement; provided that Holdings shall have the option as provided in Section 11.2 and subject to Section 11.1(d) to select whether the redemption payment is made by means of a Share Settlement or a Cash Settlement. Within three (3) Business Days of delivery of the Redemption Notice, Holdings shall give written notice (the " Contribution Notice ") to the Company (with a copy to the Redeeming Member) of its intended settlement method; provided that if Holdings does not timely deliver a Contribution Notice, Holdings shall be deemed to have elected the Share Settlement method. If Holdings elects the Cash Settlement method, the Redeeming Member may retract its Redemption Notice by giving written notice (the " Retraction Notice ") to the Company (with a copy to Holdings) within two (2) Business Days of delivery of the Contribution Notice. The timely delivery of a Retraction Notice shall terminate all of the Redeeming Member's, Company's and Holdings' rights and obligations under this Section 11.1 arising from the Redemption Notice.

(c) In the event Holdings elects a Share Settlement in connection with a Redemption, a Redeeming Member shall be entitled to revoke its Redemption Notice or delay the consummation of a Redemption if any of the following conditions exists: (i) any registration statement pursuant to which the resale of the Class A Common Stock to be registered for such Redeeming Member at or immediately following the consummation of the Redemption shall have ceased to be effective pursuant to any action or inaction by the Securities and Exchange Commission or no such resale registration statement has yet become effective; (ii) Holdings shall have failed to cause any related prospectus to be supplemented by any required prospectus supplement necessary to effect such Redemption; (iii) Holdings shall have exercised its right to defer, delay or suspend the filing or effectiveness of a registration statement and such deferral, delay or suspension shall affect the ability of such Redeeming Member to have its Class A Common Stock registered at or immediately following the consummation of the Redemption; (iv) Holdings shall have disclosed to such Redeeming Member any material non-public information concerning Holdings, the receipt of which results in such Redeeming Member being prohibited or restricted from selling Class A Common Stock at or immediately following the Redemption without disclosure of such information (and Holdings does not permit disclosure); (v) any stop order relating to the registration statement pursuant to which the Class A Common Stock was to be registered by such Redeeming Member at or immediately following the Redemption shall have been issued by the Securities and Exchange Commission; (vi) there shall have occurred a material disruption in the securities markets generally or in the market or markets in which the Class A Common Stock is then traded; (vii) there shall be in effect an injunction, a restraining order or a decree of any nature of any governmental entity that restrains or prohibits the Redemption; or (viii) Holdings shall have failed to comply in all material respects with its obligations under the Registration Rights Agreement, and such failure shall have affected the ability of such Redeeming Member to consummate the resale of Class A Common Stock to be received upon such redemption pursuant to an effective registration statement;

provided further , that in no event shall the Redeeming Member seeking to Revoke its Redemption Notice or delay the consummation of such Redemption and relying on any of the matters contemplated in clauses (i) through (viii) above have controlled or intentionally influenced any facts, circumstances, or Persons in connection therewith (except in the good faith performance of his or her duties as an officer or director of Holdings) in order to provide such Redeeming Member with a basis for such delay or revocation. If a Redeeming Member delays the consummation of a Redemption pursuant to this Section 11.1(c) , the Redemption Date shall occur on the fifth Business Day following the date on which the conditions giving rise to such delay cease to exist.

(d) The number of shares of Class A Common Stock and the Redeemed Units Equivalent that a Redeeming Member is entitled to receive under Section 11.1(b) (whether through a Share Settlement or Cash Settlement) shall not be adjusted on account of any Distributions previously made with respect to the Redeemed Units or dividends previously paid with respect to Class A Common Stock; provided , however , that if a Redeeming Member causes the Company to redeem Redeemed Units and the Redemption Date occurs subsequent to the record date for any Distribution with respect to the Redeemed Units but prior to payment of such Distribution, the Redeeming Member shall be entitled to receive such Distribution with respect to the Redeemed Units on the date that it is made notwithstanding that the Redeeming Member transferred and surrendered the Redeemed Units to the Company prior to such date.

(e) In the event of a reclassification or other similar transaction as a result of which the shares of Class A Common Stock are converted into another security, then in exercising it Redemption Right a Redeeming Member shall be entitled to receive the amount of such security that the Redeeming Member would have received if such Redemption Right had been exercised and the Redemption Date had occurred immediately prior to the record date of such reclassification or other similar transaction.

11.2 **Election and Contribution of Holdings** . In connection with the exercise of a Redeeming Member's Redemption Rights under Section 11.1(a) , Holdings shall contribute to the Company the consideration the Redeeming Member is entitled to receive under Section 11.1(b) . Holdings, at its option, shall determine whether to contribute, pursuant to Section 11.1(b) , the Share Settlement or the Cash Settlement. Unless the Redeeming Member has timely delivered a Retraction Notice as provided in Section 11.1(b) , or has revoked or delayed a Redemption as provided in Section 11.1(c) , on the Redemption Date (to be effective immediately prior to the close of business on the Redemption Date) (i) Holdings shall make its Capital Contribution to the Company (in the form of the Share Settlement or the Cash Settlement) required under this Section 11.2 , and (ii) the Company shall issue to Holdings a number of Common Units equal to the number of Redeemed Units surrendered by the Redeeming Member. Notwithstanding any other provisions of this Agreement to the contrary, in the event that Holdings elects a Cash Settlement, Holdings shall only be obligated to pay in respect of such Cash Settlement to the Redeeming Member the net proceeds (after deduction of any underwriters' discounts or commissions and brokers' fees or commissions) from the sale by Holdings of a number of shares of Class A Common Stock equal to the number of Redeemed Units to be redeemed with such Cash Settlement. The timely delivery of a Retraction Notice shall terminate all of the Company's and Holdings' rights and obligations under this Section 11.2 arising from the Redemption Notice.

11.3 **Exchange Right of Holdings** .

(a) Notwithstanding anything to the contrary in this Article XI , Holdings may, in its sole and absolute discretion, elect to effect on the Redemption Date the exchange of Redeemed Units for the Share Settlement or Cash Settlement, as the case may be, through a direct exchange of such Redeemed Units and such consideration between the Redeeming Member and Holdings (a " Direct Exchange "). Upon such Direct Exchange pursuant to this Section 11.3 , Holdings shall acquire the Redeemed Units and shall be treated for all purposes of this Agreement as the owner of such Units.

(b) Holdings may, at any time prior to a Redemption Date, deliver written notice (an " Exchange Election Notice ") to the Company and the Redeeming Member setting forth its election to exercise its right to consummate a Direct Exchange; provided that such election does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. An Exchange Election Notice may be revoked by Holdings at any time; provided that any such revocation does not prejudice the ability of the parties to consummate a Redemption or Direct Exchange on the Redemption Date. The right to consummate a Direct Exchange in all events shall be exercisable for all the Redeemed Units that would have otherwise been subject to a Redemption. Except as otherwise provided by this Section 11.3 , a Direct Exchange shall be consummated pursuant to the same timeframe and in the same manner as the relevant Redemption would have been consummated if Holdings had not delivered an Exchange Election Notice.

11.4 **Reservation of Class A Shares; Listing; Certificate of Holdings** . At all times Holdings shall reserve and keep available out of its authorized but unissued Class A Common Stock, solely for the purpose of issuance upon a Redemption or Direct Exchange, such number of shares of Class A Common Stock as shall be issuable upon any such Redemption or Direct Exchange pursuant to Share Settlements; provided that nothing contained herein shall be construed to preclude Holdings from satisfying its obligations in respect of any such Redemption or Direct Exchange by delivery of purchased Class A Common Stock (which may or may not be held in the treasury of Holdings) or the delivery of cash pursuant to a Cash Settlement. Holdings shall deliver Class A Common Stock that has been registered under the Securities Act with respect to any Redemption or Direct Exchange to the extent a registration statement is effective and available for such shares. Holdings shall use its commercially reasonable efforts to list the Class A Common Stock required to be delivered upon any such Redemption or Direct Exchange prior to such delivery upon each national securities exchange upon which the outstanding shares of Class A Common Stock are listed at the time of such Redemption or Direct Exchange (it being understood that any such shares may be subject to transfer restrictions under applicable securities laws). Holdings covenants that all Class A Common Stock issued upon a Redemption or Direct Exchange will, upon issuance, be validly issued, fully paid and non-assessable. The provisions of this Article XI shall be interpreted and applied in a manner consistent with the corresponding provisions of Holdings' certificate of incorporation.

11.5 **Effect of Exercise of Redemption or Exchange Right** . This Agreement shall continue notwithstanding the consummation of a Redemption or Direct Exchange and all governance or other rights set forth herein shall be exercised by the remaining Members and the Redeeming Member (to the extent of such Redeeming Member's remaining interest in the

Company). No Redemption or Direct Exchange shall relieve such Redeeming Member of any prior breach of this Agreement.

11.6 **Tax Treatment** . Unless otherwise required by applicable law, the parties hereto acknowledge and agree a Redemption or a Direct Exchange, as the case may be, shall be treated as a direct exchange between Holdings and the Redeeming Member for U.S. federal and applicable state and local income tax purposes.

ARTICLE XII

ADMISSION OF MEMBERS

12.1 **Substituted Members** . Subject to the provisions of Article X hereof, in connection with the Permitted Transfer of a Company Interest hereunder, the transferee shall become a substituted Member (" Substituted Member ") on the effective date of such Transfer, which effective date shall not be earlier than the date of compliance with the conditions to such Transfer, and such admission shall be shown on the books and records of the Company.

12.2 **Additional Members** . Subject to the provisions of Article X hereof, a Person may be admitted to the Company as an additional Member (" Additional Member ") only upon furnishing to the Manager (a) counterparts of this Agreement and any applicable Other Agreements and (b) such other documents or instruments as may be reasonably necessary or appropriate to effect such Person's admission as a Member (including entering into such documents as the Manager may deem appropriate in its sole discretion). Such admission shall become effective on the date on which the Manager determines in its sole discretion that such conditions have been satisfied and when any such admission is shown on the books and records of the Company.

ARTICLE XIII

WITHDRAWAL AND RESIGNATION OF MEMBERS

13.1 **Withdrawal and Resignation of Members** . No Member shall have the power or right to withdraw or otherwise resign as a Member from the Company prior to the dissolution and winding up of the Company pursuant to this Article XIII . Any Member, however, that attempts to withdraw or otherwise resign as a Member from the Company without the prior written consent of the Manager upon or following the dissolution and winding up of the Company pursuant to this Article XIII , but prior to such Member receiving the full amount of Distributions from the Company to which such Member is entitled pursuant to this Article XIII , shall be liable to the Company for all damages (including all lost profits and special, indirect and consequential damages) directly or indirectly caused by the withdrawal or resignation of such Member. Upon a Transfer of all of a Member's Units in a Transfer permitted by this Agreement, subject to the provisions of Section 0 , such Member shall cease to be a Member.

ARTICLE XIV

DISSOLUTION AND LIQUIDATION

14.1 **Dissolution** . The Company shall not be dissolved by the admission of Additional Members or Substituted Members or the attempted withdrawal or resignation of a Member. The Company shall dissolve, and its affairs shall be wound up, upon:

(a) the unanimous decision of the Members that then hold Common Units to dissolve the Company;

(b) a Change of Control Transaction; or

(c) the entry of a decree of judicial dissolution of the Company under Section 35-5 of the Delaware Act or an administrative dissolution under Section 18-802 of the Delaware Act. Except as otherwise set forth in this Article XIV , the Company is intended to have perpetual existence. An Event of Withdrawal shall not cause a dissolution of the Company and the Company shall continue in existence subject to the terms and conditions of this Agreement.

14.2 **Liquidation and Termination** . On dissolution of the Company, the Manager shall act as liquidator or may appoint one or more Persons as liquidator. The liquidators shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Delaware Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidators shall continue to operate the Company properties with all of the power and authority of the Manager. The steps to be accomplished by the liquidators are as follows:

(a) as promptly as possible after dissolution and again after final liquidation, the liquidators shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company’s assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable;

(b) the liquidators shall cause the notice described in the Delaware Act to be mailed to each known creditor of and claimant against the Company in the manner described thereunder;

(c) the liquidators shall pay, satisfy or discharge from Company funds , or otherwise make adequate provision for payment and discharge thereof (including, without limitation, the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidators may reasonably determine): first, all expenses incurred in liquidation; and second, all of the debts, liabilities and obligations of the Company; and

(d) all remaining assets of the Company shall be distributed to the Members in accordance with Article IV by the end of the Taxable Year during which the liquidation of the Company occurs (or, if later, by 90 days after the date of the liquidation).

The distribution of cash and/or property to the Members in accordance with the provisions of this Section 0 and Section 0 below constitutes a complete return to the Members of their Capital Contributions, a complete distribution to the Members of their interest in the Company and all the Company's property and constitutes a compromise to which all Members have consented within the meaning of the Delaware Act. To the extent that a Member returns funds to the Company, it has no claim against any other Member for those funds.

14.3 **Deferment; Distribution in Kind** . Notwithstanding the provisions of Section 0 , but subject to the order of priorities set forth therein, if upon dissolution of the Company the liquidators determine that an immediate sale of part or all of the Company's assets would be impractical or would cause undue loss (or would otherwise not be beneficial) to the Members, the liquidators may, in their sole discretion, defer for a reasonable time the liquidation of any assets except those necessary to satisfy Company liabilities (other than loans to the Company by Members) and reserves. Subject to the order of priorities set forth in Section 0 , the liquidators may, in their sole discretion, distribute to the Members, in lieu of cash, either (a) all or any portion of such remaining Company assets in-kind in accordance with the provisions of Section 0 , (b) as tenants in common and in accordance with the provisions of Section 0 , undivided interests in all or any portion of such Company assets or (c) a combination of the foregoing. Any such Distributions in kind shall be subject to (a) such conditions relating to the disposition and management of such assets as the liquidators deem reasonable and equitable and (b) the terms and conditions of any agreements governing such assets (or the operation thereof or the holders thereof) at such time. Any Company assets distributed in kind will first be written up or down to their Fair Market Value, thus creating Profit or Loss (if any), which shall be allocated in accordance with Article V . The liquidators shall determine the Fair Market Value of any property distributed in accordance with the valuation procedures set forth in Article XV .

14.4 **Cancellation of Certificate** . On completion of the distribution of Company assets as provided herein, the Company is terminated (and the Company shall not be terminated prior to such time), and the Manager (or such other Person or Persons as the Delaware Act may require or permit) shall file a certificate of cancellation with the Secretary of State of Delaware, cancel any other filings made pursuant to this Agreement that are or should be canceled and take such other actions as may be necessary to terminate the Company. The Company shall be deemed to continue in existence for all purposes of this Agreement until it is terminated pursuant to this Section 0 .

14.5 **Reasonable Time for Winding Up** . A reasonable time shall be allowed for the orderly winding up of the business and affairs of the Company and the liquidation of its assets pursuant to Sections 0 and 0 in order to minimize any losses otherwise attendant upon such winding up.

14.6 **Return of Capital** . The liquidators shall not be personally liable for the return of Capital Contributions or any portion thereof to the Members (it being understood that any such return shall be made solely from Company assets).

ARTICLE XV

VALUATION

15.1 **Determination** . " Fair Market Value " of a specific Company asset will mean the amount which the Company would receive in an all-cash sale of such asset in an arms-length transaction with a willing unaffiliated third party, with neither party having any compulsion to buy or sell, consummated on the day immediately preceding the date on which the event occurred which necessitated the determination of the Fair Market Value (and after giving effect to any transfer taxes payable in connection with such sale), as such amount is determined by the Manager (or, if pursuant to Section 14.2 , the liquidators) in its good faith judgment using all factors, information and data it deems to be pertinent.

15.2 **Dispute Resolution** . If any Member or Members dispute the accuracy of any determination of Fair Market Value in accordance with Section 0 , and the Manager and such Member(s) are unable to agree on the determination of the Fair Market Value of any asset of the Company, the Manager and such Member(s) shall each select a nationally recognized investment banking firm experienced in valuing securities of closely-held companies such as the Company in the Company's industry (the " Appraisers "), who shall each determine the Fair Market Value of the asset or the Company (as applicable) in accordance with the provisions of Section 0 . The Appraisers shall be instructed to give written notice of their determination of the Fair Market Value of the asset or the Company (as applicable) within 30 days of their appointment as Appraisers. If Fair Market Value as determined by an Appraiser is higher than Fair Market Value as determined by the other Appraiser by 10% or more, and the Manager and such Member(s) do not otherwise agree on a Fair Market Value, the original Appraisers shall designate a third Appraiser meeting the same criteria used to select the original two. If Fair Market Value as determined by an Appraiser is within 10% of the Fair Market Value as determined by the other Appraiser (but not identical), and the Manager and such Member(s) do not otherwise agree on a Fair Market Value, the Manager shall select the Fair Market Value of one of the Appraisers. The fees and expenses of the Appraiser shall be borne by the Company.

ARTICLE XVI

GENERAL PROVISIONS

16.1 **Power of Attorney** .

(a) Each Member who is an individual hereby constitutes and appoints the Manager (or the liquidator, if applicable) with full power of substitution, as his true and lawful agent and attorney-in-fact, with full power and authority in his or its name, place and stead, to:

(i) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (A) this Agreement, all certificates and other instruments and all amendments thereof which the Manager deems appropriate or necessary to form, qualify, or continue the qualification of, the Company as a limited liability company in the State of Delaware and in all other jurisdictions in which the Company may conduct business or own property; (B) all instruments which the Manager deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms;

(C) all conveyances and other instruments or documents which the Manager deems appropriate or necessary to reflect the dissolution and liquidation of the Company pursuant to the terms of this Agreement, including a certificate of cancellation; and (D) all instruments relating to the admission, withdrawal or substitution of any Member pursuant to Article XII or XIII ; and

(ii) sign, execute, swear to and acknowledge all ballots, consents, approvals, waivers, certificates and other instruments appropriate or necessary, in the reasonable judgment of the Manager, to evidence, confirm or ratify any vote, consent, approval, agreement or other action which is made or given by the Members hereunder or is consistent with the terms of this Agreement and/or appropriate or necessary (and not inconsistent with the terms of this Agreement), in the reasonable judgment of the Manager, to effectuate the terms of this Agreement.

(b) The foregoing power of attorney is irrevocable and coupled with an interest, and shall survive the death, disability, incapacity, dissolution, bankruptcy, insolvency or termination of any Member who is an individual and the transfer of all or any portion of his or its Company Interest and shall extend to such Member's heirs, successors, assigns and personal representatives.

16.2 **Confidentiality** . The Manager and each of the Members agree to hold the Company's Confidential Information in confidence and may not use such information except in furtherance of the business of the Company or as otherwise authorized separately in writing by the Manager. " Confidential Information " as used herein includes, but is not limited to, ideas, financial product structuring, business strategies, innovations and materials, all aspects of the Company's business plan, proposed operation and products, corporate structure, financial and organizational information, analyses, proposed partners, software code and system and product designs, employees and their identities, equity ownership, the methods and means by which the Company plans to conduct its business, all trade secrets, trademarks, tradenames and all intellectual property associated with the Company's business. With respect to the Manager and each Member, Confidential Information does not include information or material that: (a) is rightfully in the possession of the Manager or each Member at the time of disclosure by the Company; (b) before or after it has been disclosed to the Manager or each Member by the Company, becomes part of public knowledge, not as a result of any action or inaction of the Manager or such Member, respectively, in violation of this Agreement; (c) is approved for release by written authorization of the CEO of the Company or Holdings; (d) is disclosed to the Manager or such Member or their representatives by a third party not, to the knowledge of the Manager or such Member, respectively, in violation of any obligation of confidentiality owed to the Company with respect to such information; or (e) is or becomes independently developed by the Manager or such Member or their respective representatives without use or reference to the Confidential Information.

16.3 **Amendments** . This Agreement may be amended or modified upon the consent of Members holding a majority of the Common Units. Notwithstanding the foregoing, no amendment or modification to any of the terms and conditions of this Agreement which terms and conditions expressly require the approval or action of certain Persons may be made without obtaining the consent of the requisite number or specified percentage of such Persons who are entitled to approve or take action on such matter.

16.4 **Title to Company Assets** . Company assets shall be deemed to be owned by the Company as an entity, and no Member, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof. The Company shall hold title to all of its property in the name of the Company and not in the name of any Member. All Company assets shall be recorded as the property of the Company on its books and records, irrespective of the name in which legal title to such Company assets is held. The Company's credit and assets shall be used solely for the benefit of the Company, and no asset of the Company shall be transferred or encumbered for, or in payment of, any individual obligation of any Member.

16.5 **Addresses and Notices** . Any notice provided for in this Agreement will be in writing and will be either personally delivered, or received by certified mail, return receipt requested, or sent by reputable overnight courier service (charges prepaid) to the Company at the address set forth below and to any other recipient and to any Member at such address as indicated by the Company's records, or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder when delivered personally or sent by telecopier (provided confirmation of transmission is received), three days after deposit in the U.S. mail and one day after deposit with a reputable overnight courier service. The Company's address is:

To the Company :

RMCO, LLC
c/o RE/MAX International Holdings, Inc.
5075 S. Syracuse Street
Denver, Colorado 80237
Attn: David Metzger, Chief Financial Officer and Geoffrey Lewis, General Counsel
Facsimile: (303) 796-3599

with a copy (which copy shall not constitute notice) to:

Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
Attn: Gavin B. Grover
Facsimile: (415) 268-7113

16.6 **Binding Effect** . This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

16.7 **Creditors** . None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or any of its Affiliates, and no creditor who makes a loan to the Company or any of its Affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in Company Profits, Losses, Distributions, capital or property other than as a secured creditor.

16.8 **Waiver** . No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

16.9 **Counterparts** . This Agreement may be executed in separate counterparts, each of which will be an original and all of which together shall constitute one and the same agreement binding on all the parties hereto.

16.10 **Applicable Law** . This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. Any dispute relating hereto shall be heard in the state or federal courts of the State of Delaware, and the parties agree to jurisdiction and venue therein.

16.11 **Severability** . Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

16.12 **Further Action** . The parties shall execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

16.13 **Delivery by Electronic Transmission** . This Agreement and any signed agreement or instrument entered into in connection with this Agreement or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of an electronic transmission, including by a facsimile machine or via email, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of electronic transmission by a facsimile machine or via email to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through such electronic transmission as a defense to the formation of a contract and each such party forever waives any such defense.

16.14 **Right of Offset** . Whenever the Company is to pay any sum (other than pursuant to Article IV) to any Member, any amounts that such Member owes to the Company which are not the subject of a good faith dispute may be deducted from that sum before payment.

16.15 **Effectiveness; Fourth LLC Agreement** . This Agreement shall be effective immediately prior to the time at which the IPO closes on the IPO Closing Date (the " Effective

Time ”). The Third LLC Agreement shall govern the rights and obligations of the parties to the Fourth LLC Agreement and the Unitholders for the time prior to the Effective Time.

16.16 **Entire Agreement** . This Agreement, those documents expressly referred to herein (including the Registration Rights Agreement and Tax Receivable Agreements), any indemnity agreements entered into in connection with the Third LLC Agreement with any member of the board of managers at that time and other documents of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. For the avoidance of doubt, the Third LLC Agreement and the Letter Agreement are superseded by this Agreement as of the Effective Time and shall be of no further force and effect thereafter.

16.17 **Remedies** . Each Member shall have all rights and remedies set forth in this Agreement and all rights and remedies which such Person has been granted at any time under any other agreement or contract and all of the rights which such Person has under any law. Any Person having any rights under any provision of this Agreement or any other agreements contemplated hereby shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law.

16.18 **Descriptive Headings; Interpretation** . The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word “including” in this Agreement shall be by way of example rather than by limitation. Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. Without limiting the generality of the immediately preceding sentence, no amendment or other modification to any agreement, document or instrument that requires the consent of any Person pursuant to the terms of this Agreement or any other agreement will be given effect hereunder unless such Person has consented in writing to such amendment or modification. Wherever required by the context, references to a Fiscal Year shall refer to a portion thereof. The use of the words “or,” “either” and “any” shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict.

IN WITNESS WHEREOF , the undersigned have executed or caused to be executed on their behalf this Agreement as of the date first written above.

COMPANY:

RMCO, LLC

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

MEMBERS:

WESTON PRESIDIO V, L.P.

By: Weston Presidio Management V, LLC

By: /s/ Therese Mrozek
Name: Therese Mrozek
Title: Chief Operating Officer

RIHI, INC.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Secretary

RE/MAX HOLDINGS, INC.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

SCHEDULE I*

Schedule of Members

Member	Common Units	Percentage Interest
RIHI, Inc.	19,234,600**	65.55%
RE/MAX Holdings, Inc.	10,107,971***	34.45%
Total	29,342,571	100.00%

* This Schedule of Members reflects the Recapitalization and the WP Preferred Unit Redemption and WP Common Unit Redemption and shall be updated from time to time to reflect any adjustment with respect to any subdivision (by Unit split or otherwise) or any combination (by reverse Unit split or otherwise) of any outstanding Common Units, or to reflect any additional issuances of Common Units pursuant to this Agreement.

** Reflects the Recapitalization and the RIHI Initial Common Unit Redemption and RIHI Over-Allotment Option Common Unit Redemption (if applicable)

*** Reflects the HBN/Tails Contribution and the contribution of the Remaining Net IPO Proceeds and Net Over-Allotment Proceeds (if any)

Exhibit 10.11

TAX RECEIVABLE AGREEMENT

between

RIHI, INC.

and

RE/MAX HOLDINGS, INC.

Dated as of October 7, 2013

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Exhibit B: List of Pre-IPO Asset Acquisitions

TAX RECEIVABLE AGREEMENT

This TAX RECEIVABLE AGREEMENT (this " Agreement "), dated as of October 7, 2013, is hereby entered into by and between RE/MAX Holdings, Inc., a Delaware corporation (" Holdings "), and RIHI, Inc., a Delaware corporation (" RIHI "), and each of their respective successors and assigns hereto.

RECITALS

WHEREAS, RMCO, LLC, a Delaware limited liability company (" RMCO "), is classified as a partnership for United States (" U.S. ") federal income tax purposes and, prior to the date hereof, Weston Presidio V, L.P., a Delaware limited partnership (" WP "), held Class A preferred units in RMCO, RIHI held Class B common units in RMCO, and RMCO engaged in certain Pre-IPO Asset Acquisitions;

WHEREAS, as of the date hereof, RMCO has recapitalized itself (the " Recapitalization ") pursuant to the Restated RMCO Partnership Agreement (as defined herein) and, as a result of the Recapitalization, (i) WP has received newly issued preferred units in RMCO (" Preferred Units ") and newly issued common units in RMCO (" Common Units ") in exchange for WP's prior Class A preferred units in RMCO and (ii) RIHI has received Common Units in exchange for RIHI's prior Class B common units in RMCO;

WHEREAS, as of the date hereof, and exclusive of the Over-Allotment Option (as defined below), Holdings has sold its Class A shares (" Class A Shares ") to public investors in an initial public offering (" IPO ") and has used $27,305,000 of the net proceeds received from the IPO (the " Net IPO Proceeds ") to purchase the HBN/Tails Assets (as defined herein);

WHEREAS, as of the date hereof, and following the Recapitalization, the IPO, and Holdings' purchase of the HBN/Tails Assets, Holdings has subsequently contributed the HBN/Tails Assets (the " HBN/Tails Contribution ") to RMCO in exchange for Common Units worth $27,305,000 pursuant to that certain Contribution Agreement (as defined herein);

WHEREAS, as of the date hereof, and following the HBN/Tails Contribution, Holdings has used the remaining Net IPO Proceeds that were left over following its purchase of the HBN/Tails Assets (the " Remaining Net IPO Proceeds ") to purchase newly issued Common Units from RMCO pursuant to that certain Common Unit Purchase Agreement (as defined herein);

WHEREAS, following RMCO's receipt of the Remaining Net IPO Proceeds from Holdings in exchange for RMCO's delivery of newly issued Common Units to Holdings, RMCO has used $49,850,000 of the Remaining Net IPO Proceeds to first completely liquidate the Preferred Units held by WP, including to satisfy the liquidation preference associated with the Preferred Units (the " WP Preferred Unit Liquidation ") and;

WHEREAS, following the WP Preferred Unit Liquidation, RMCO has used the rest of the Remaining Net IPO Proceeds to redeem Common Units held by RIHI (the " RIHI Initial Common Unit Redemption ") and to redeem Common Units held by WP (the " WP Initial Common Unit Redemption ");

WHEREAS, on and after the date hereof, Holdings may issue additional Class A shares in connection with the IPO as a result of the exercise by the underwriters of their over-allotment option (the " Over-Allotment Option ") and, if the Over-Allotment Option is in fact exercised in whole or in part, any additional net proceeds (the " Net Over-Allotment Proceeds ") shall also be used by Holdings to purchase newly issued Common Units from RMCO pursuant to the Common Unit Purchase Agreement;

WHEREAS, following RMCO's receipt of any Net Over-Allotment Proceeds from Holdings in exchange for RMCO's delivery of newly issued Common Units to Holdings, RMCO will, in turn, use such Net Over-Allotment Proceeds to redeem additional Common Units held by RIHI (the " RIHI Follow-On Common Unit Redemption ") and, to the extent that WP's membership interest in RMCO is not otherwise completely redeemed in the WP Initial Common Unit Redemption, to redeem Common Units held by WP (the " WP Follow-On Common Unit Redemption ");

WHEREAS, on and after the date hereof, RIHI has the right to have its remaining Common Units redeemed by RMCO, or under certain circumstances acquired by Holdings, pursuant to Article XI of the Restated RMCO Partnership Agreement (the " RIHI Redemption Right ");

WHEREAS, the Parties (as defined herein) desire to make certain arrangements with respect to the Realized Tax Benefits and Realized Tax Detriments (as each of those terms is defined herein), if any, associated with the foregoing relationships, agreements, and transactions.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions . As used in this Agreement, the terms set forth in this Article I shall have the following meanings (such meanings to be equally applicable to both (i) the singular and plural and (ii) the active and passive forms of the terms defined).

" Actual Interest Amount " is defined in Section 3.1(b)(vii) of this Agreement.

" Advisory Firm " means an accounting firm or law firm that, in either case, is nationally recognized as being expert in Tax matters. Solely with respect to the Advisory Firm that may be used by Holdings in connection with the performance of its obligations under this Agreement, such Advisory Firm shall initially be proposed as KPMG, LLP, subject to review and approval by the Audit Committee. The Audit Committee may subsequently replace the Advisory Firm used by Holdings in connection with the performance of its obligations under this Agreement at any time at its discretion, subject to the consistency requirements set forth in Section 6.2 of this Agreement.

" Advisory Firm Letter " means a letter, that has been prepared by the Advisory Firm used by Holdings in connection with the performance of its obligations under this Agreement and reviewed and approved by the Audit Committee, which states that the relevant Schedules, notices or other information to be provided by Holdings to RIHI, along with all supporting schedules and work papers, were prepared in a manner that is consistent with the terms of this Agreement and, to the extent not expressly provided in this Agreement, on a reasonable basis in light of the facts and law in existence on the date such Schedules, notices or other information were delivered by Holdings to RIHI.

" Affiliate " means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person.

" Agreed Rate " means LIBOR plus 100 basis points.

" Agreement " is defined in the preamble.

" Amended Schedule " is defined in Section 2.4(b) of this Agreement.

" Attributable " is defined in Section 3.1(b)(i) of this Agreement.

" Audit Committee " means the independent audit committee of the Board.

" Basis Adjustment " means any adjustment to, or share of, Tax basis that Holdings may obtain in relation to a Reference Asset and that may arise:

(i) in the case of the WP IPO-Related Sale (which, for the avoidance of doubt, is composed of the WP Preferred Unit Liquidation, the WP Initial Common Unit Redemption, and, to the extent applicable, the WP Follow-On Common Unit Redemption), under Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder, or comparable sections of state, local, or foreign Tax laws;

(ii) in the case of the RIHI IPO-Related Sale (which, for the avoidance of doubt, is composed of the RIHI Initial Common Unit Redemption and, to the extent applicable, the RIHI Follow-On Common Unit Redemption), under Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder, or comparable sections of state, local, or foreign Tax laws;

(iii) in the case of any RIHI Post-IPO Sale, under either (A) Sections 755 and 1012 of the Code and the Treasury Regulations promulgated thereunder, or other applicable provisions of the Code, or comparable sections of state, local, or foreign tax laws (in situations where RMCO becomes an entity that is disregarded as separate from its owner for U.S. federal income tax purposes) or (B) Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder, or other applicable provisions of the Code, or comparable sections of state, local, or foreign Tax laws (in situations where RMCO remains in existence as an entity for U.S. federal income tax purposes);

(iv) in the case of the WP IPO-Related Sale, the RIHI IPO-Related Sale, or any RIHI Post-IPO Sale, as a result of Holdings' effective acquisition of a share of any Pre-Existing Tax Basis (and to the extent that such acquisition of Pre-Existing Tax Basis is not otherwise already accounted for as a Basis Adjustment under any of the preceding clauses (i), (ii), or (iii), as applicable); or

(v) with respect to any Tax Benefit Payments made by Holdings to RIHI pursuant to this Agreement (excluding amounts accounted for as Imputed Interest and any Actual Interest Amounts).

Notwithstanding any other provision of this Agreement, the amount of any Basis Adjustment resulting from any transaction that is subject to clause (iii) above (including any Basis Adjustments that result under clause (iv) or (v) above by reason of a transaction described in clause (iii) above) shall be determined without regard to any Pre-Exchange Transfer and as if any such Pre-Exchange Transfer had not occurred, to the extent that such Pre-Exchange Transfer resulted in the partial or complete elimination of a future Basis Adjustment that Holdings would have otherwise obtained pursuant to the terms of this Agreement.

" Basis Schedule " is defined in Section 2.2 of this Agreement.

" Beneficial Owner " means, with respect to any security, a Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (i) voting power, which includes the power to vote, or to direct the voting of, with respect to such security and/or (ii) investment power, which includes the power to dispose of, or to direct the disposition of, such security.

" Board " means the Board of Directors of Holdings.

" Business Day " means any day excluding Saturday, Sunday and any day that is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in New York are closed.

" Change Notice " is defined in Section 3.5(a) of this Agreement.

" Change of Control " means the occurrence of any of the following events:

(i) any Person or any group of Persons acting together which would constitute a "group" for purposes of Section 13(d) of the Securities and Exchange Act of 1934, as amended, or any successor provisions thereto, is or becomes the Beneficial Owner, directly or indirectly, of equity interests of Holdings representing more than 50% of the combined voting power represented by all issued and outstanding equity interests in Holdings; provided , that RIHI's ownership of Class B shares of Holdings as of the date hereof, and RIHI's potential future ownership of any Class A Shares that may arise as a result of a RIHI Post-IPO Sale, shall not be considered, either individually or collectively, to cause a Change of Control; or

(ii) less than a majority of the members of the Board shall be individuals who are either (x) members of such Board at the time of the completion of the IPO or (y)

members of the Board whose election, or nomination for election by the stockholders of Holdings, was approved by a vote of at least a majority of the members of the Board then in office who are individuals described in clause (x) above or in this clause (y), other than any individual whose nomination or appointment under this clause (y) occurred as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors on the Board (other than any such solicitation made by the Board); or

(iii) there is consummated a merger or consolidation of Holdings with any other corporation or other entity, and, immediately after the consummation of such merger or consolidation, either (x) the Board immediately prior to the merger or consolidation does not constitute at least a majority of the board of directors of the company surviving the merger or, if the surviving company is a Subsidiary, the ultimate parent thereof, or (y) the voting securities of Holdings immediately prior to such merger or consolidation do not continue to represent or are not converted into more than 50% of the combined voting power of the then outstanding voting securities of the Person resulting from such merger or consolidation or, if the surviving company is a Subsidiary, the ultimate parent thereof; or

(iv) the shareholders of Holdings approve a plan of complete liquidation or dissolution of Holdings or there is consummated an agreement or series of related agreements for the sale or other disposition, directly or indirectly, by Holdings of all or substantially all of Holdings' assets, other than such sale or other disposition by Holdings of all or substantially all of Holdings' assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of Holdings in substantially the same proportions as their ownership of Holdings immediately prior to such sale.

Notwithstanding the foregoing, except with respect to clause (ii) and clause (iii)(x) above, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the Class A Shares and Class B shares of Holdings immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in and voting control over, and own substantially all of the shares of, an entity which owns all or substantially all of the assets of Holdings immediately following such transaction or series of transactions.

" Class A Shares " is defined in the recitals to this Agreement.

" Code " means the U.S. Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder.

" Common Units " is defined in the recitals to this Agreement.

" Common Unit Purchase Agreement " means that certain Common Unit Purchase Agreement between Holdings and RMCO and dated as of the date hereof.

" Contribution Agreement " means that certain Contribution Agreement between Holdings and RMCO and dated as of the date hereof.

" Control " means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

" Covered Taxes " means any and all U.S. federal income taxes and U.S. state and local income and franchise taxes.

" Cumulative Net Realized Tax Benefit " is defined in Section 3.1(b)(iii) of this Agreement.

" Default Rate " means LIBOR plus 300 basis points.

" Default Rate Interest " is defined in Section 3.1(b)(ix) of this Agreement.

" Determination " shall have the meaning ascribed to such term in Section 1313(a) of the Code or similar provision of state tax law, as applicable, or any other event (including the execution of IRS Form 870-AD) that finally and conclusively establishes the amount of any liability for Tax.

" Dispute " has the meaning set forth in Section 7.8(a) of this Agreement.

" Early Termination Effective Date " means the date of an Early Termination Notice for purposes of determining the Early Termination Payment.

" Early Termination Reference Date " is defined in Section 4.2 of this Agreement.

" Early Termination Notice " is defined in Section 4.2 of this Agreement.

" Early Termination Schedule " is defined in Section 4.2 of this Agreement.

" Early Termination Payment " is defined in Section 4.3(b) of this Agreement.

" Early Termination Rate " means the lesser of (i) 6.50% per annum, compounded annually, and (ii) LIBOR plus 100 basis points.

" Estimated Tax Benefit Payment " is defined in Section 3.4 of this Agreement.

" Expert " is defined in Section 7.9 of this Agreement.

" Extension Rate Interest " is defined in Section 3.1(b)(viii) of this Agreement.

" Final Payment Date " means any date on which a payment is required to be made pursuant to this Agreement. For the avoidance of doubt, the Final Payment Date in respect of a Tax Benefit Payment is determined pursuant to Section 3.1(a) of this Agreement.

" GAAP " means U.S. generally accepted accounting principles as consistently applied and interpreted.

" HBN/Tails Assets " means the assets purchased by Holdings from HBN, Inc. and Tails, Inc. as of the date hereof.

" HBN/Tails Contribution " is defined in the recitals to this Agreement.

" Holdings " is defined in the preamble to this Agreement.

" Holdings' Return " means the U.S. federal or state Tax Return, as applicable, of Holdings (or any consolidated Tax Return filed for a group of which Holdings is a member) filed with respect to Taxes for any Taxable Year.

" Hypothetical Tax Liability " means, with respect to any Taxable Year, the hypothetical liability of Holdings that would arise in respect of Covered Taxes, using the same methods, elections, conventions and similar practices used on the relevant Holdings' Returns but (i) calculating depreciation, amortization, or other similar deductions, or otherwise calculating any items of income, gain, or loss, using the Non-Adjusted Tax Basis as reflected on the Basis Schedule, including amendments thereto for the Taxable Year, and (ii) excluding any deduction attributable to Imputed Interest or Actual Interest Amounts for the Taxable Year. For the avoidance of doubt, the Hypothetical Tax Liability shall be determined without taking into account the carryover or carryback of any Tax item (or portions thereof) that is attributable to any of the items described in the previous sentence.

" Imputed Interest " is defined in Section 3.1(b)(vi) of this Agreement.

" Independent Directors " means the independent members of the Board.

" IPO " is defined in the recitals to this Agreement.

" IRS " means the U.S. Internal Revenue Service.

" Joinder Requirement " is defined in Section 7.6(a) of this Agreement.

" LIBOR " means during any period, an interest rate per annum equal to the one-year LIBOR reported, on the date two days prior to the first day of such period, on the Telerate Page 3750 (or if such screen shall cease to be publicly available, as reported on Reuters Screen page "LIBOR01" or by any other publicly available source of such market rate) for London interbank offered rates for U.S. dollar deposits for such period.

" Market Value " shall mean the Common Unit Redemption Price, as defined in the Restated RMCO Partnership Agreement, determined as of an Early Termination Date.

" Net IPO Proceeds " is defined in the recitals to this Agreement.

" Net Over-Allotment Proceeds " is defined in the recitals to this Agreement.

" Net Tax Benefit " is defined in Section 3.1(b)(ii) of this Agreement.

" Non-Adjusted Tax Basis " means, with respect to any Reference Asset at any time, the Tax basis that such asset would have had at such time if no Basis Adjustments had been made.

" Objection Notice " has the meaning set forth in Section 2.4(a)(i) of this Agreement.

" Over-Allotment Option " is defined in the recitals to this Agreement.

" Parties " means the parties to this Agreement; namely, Holdings and RIHI, and their respective successors and assigns.

" Person " means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

" Pre-Exchange Transfer " means any valid transfer, distribution, sale, exchange, or other disposition of Common Units by RIHI, as determined pursuant to the terms of the Restated RMCO Partnership Agreement and to a party other than RMCO or Holdings, that is treated as a taxable transaction for applicable Tax purposes.

" Pre-Existing Assets " means any of the tangible and intangible assets of RMCO that were originally acquired prior to the date hereof in connection with the Pre-IPO Asset Acquisitions.

" Pre-Existing Tax Basis " means any pre-existing Tax basis attributable to a Pre-Existing Asset.

" Preferred Unit " is defined in the recitals to this Agreement.

" Pre-IPO Asset Acquisitions " means the taxable asset acquisition transactions consummated prior to the IPO by either RIHI, RMCO, or WP, or by any of their respective Affiliates or Subsidiaries, or by any predecessor entities of their respective Affiliates or Subsidiaries (excluding Holdings), as set forth on Exhibit B to this Agreement.

" Realized Tax Benefit " is defined in Section 3.1(b)(iv) of this Agreement.

" Realized Tax Detriment " is defined in Section 3.1(b)(v) of this Agreement.

" Recapitalization " is defined in the recitals to this Agreement.

" Reconciliation Dispute " has the meaning set forth in Section 7.9 of this Agreement.

" Reconciliation Procedures " has the meaning set forth in Section 2.4(a) of this Agreement.

" Redemption Date " is defined in Section 2.1(d) of this Agreement.

" Reference Asset " means any tangible or intangible asset of RMCO or any of its successors or assigns, and whether held directly by RMCO or indirectly by RMCO through any entity in which RMCO now holds or may subsequently hold an ownership interest, at the time of (i) the WP IPO-Related Sale, (ii) the RIHI IPO-Related Sale, or (iii) any RIHI Post-IPO Sale. A Reference Asset also includes any asset the Tax basis of which is determined, in whole or in part, by reference to the Tax basis of an asset that is described in the preceding sentence, including "substituted basis property" within the meaning of Section 7701(a)(42) of the Code.

" Remaining Net IPO Proceeds " is defined in the recitals to this Agreement and, for the avoidance of doubt, means the Net IPO Proceeds, minus the $27,305,000 used by Holdings to purchase the HBN/Tails Assets as of the date hereof.

" Reserve Notice " is defined in Section 3.5(b).

" Restated RMCO Partnership Agreement " means that certain Fourth Amended and Restated Limited Liability Company Agreement of RMCO, dated as of the date hereof, and entered into by and among RMCO, RIHI, and WP, as such agreement may be further amended, restated, supplemented and/or otherwise modified from time to time.

" RIHI " is defined in the preamble to this Agreement.

" RIHI Follow-On Common Unit Redemption " is defined in the recitals to this Agreement.

" RIHI Initial Common Unit Redemption " is defined in the recitals to this Agreement.

" RIHI IPO-Related Sale " is defined in Section 2.1(a) of this Agreement.

" RIHI Post-IPO Sale " is defined in Section 2.1(b) of this Agreement.

" RIHI Redemption Right " is defined in the recitals to this Agreement.

" RMCO " is defined in the recitals to this Agreement.

" Sale " means a sale of Units effected by (i) RIHI in connection with the RIHI IPO-Related Sale or any RIHI Post-IPO Sale or (ii) WP in connection with the WP IPO-Related Sale. Any reference in this Agreement to Units " Sold " is intended to denote Units subject to Sale.

" Sale Date " means the date of any Sale, which, for the avoidance of doubt, means: (i) as of the date hereof, in the case of the WP Preferred Unit Liquidation, the RIHI Initial Common Unit Redemption, and the WP Initial Common Unit Redemption; (ii) as of the date on which the underwriters exercise the Over-Allotment Option, in the case of the RIHI Follow-On Common Unit Redemption and the WP Follow-On Common Unit Redemption (to the extent that it occurs); and (iii) as of the relevant Redemption Date, in the case of a RIHI Post-IPO Sale.

" Schedule " means any of the following: (i) a Basis Schedule, (ii) a Tax Benefit Schedule, or (iii) the Early Termination Schedule, and, in each case, any amendments thereto.

" Senior Obligations " is defined in Section 5.1 of this Agreement.

" Subsidiary " means, with respect to any Person and as of the date of any determination, any other Person as to which such Person, owns, directly or indirectly, or otherwise controls, more than 50% of the voting power or other similar interests, or the sole general partner interest, or managing member or similar interest of such Person.

" Subsidiary Stock " means any stock or other equity interest in any subsidiary entity of Holdings that is treated as a corporation for U.S. federal income tax purposes.

" Tax Benefit Payment " is defined in Section 3.1(b) of this Agreement.

" Tax Benefit Schedule " is defined in Section 2.3(a) of this Agreement.

" Tax Return " means any return, declaration, report or similar statement required to be filed with respect to Taxes (including any attached schedules), including, without limitation, any information return, claim for refund, amended return and declaration of estimated Tax.

" Taxable Year " means a taxable year of Holdings as defined in Section 441(b) of the Code or comparable section of state or local Tax law, as applicable (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is made), ending on or after the closing date of the IPO.

" Taxes " means any and all U.S. federal, state and local, or foreign income taxes, or other taxes, assessments, or similar charges of any kind that are based on or measured with respect to net income or profits, and any interest related thereto.

" Taxing Authority " shall mean any national, federal, state, county, municipal, or local government, or any subdivision, agency, commission or authority thereof, or any quasi-governmental body, or any other authority of any kind, exercising regulatory or other authority in relation to Tax matters.

" Termination Objection Notice " is defined in Section 4.2 of this Agreement.

" Treasury Regulations " means the final, temporary, and (to the extent they can be relied upon) proposed regulations under the Code, as promulgated from time to time (including corresponding provisions and succeeding provisions) as in effect for the relevant taxable period.

" True-Up " is defined in Section 3.4 of this Agreement.

" Units " means either Preferred Units or Common Units, or both, as applicable.

" U.S. " is defined in the recitals to this Agreement.

" Valuation Assumptions " shall mean, as of an Early Termination Effective Date, the assumptions that: (1) in each Taxable Year ending on or after such Early Termination Effective Date, Holdings will have taxable income sufficient to fully use the deductions arising from the Basis Adjustments and the Imputed Interest during such Taxable Year or future Taxable Years

(including, for the avoidance of doubt, Basis Adjustments and Imputed Interest that would result from future Tax Benefit Payments that would be paid in accordance with the Valuation Assumptions) in which such deductions would become available; (2) the U.S. federal income tax rates and state income tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other law as in effect on the Early Termination Effective Date; (3) any loss carryovers generated by any Basis Adjustment or Imputed Interest and available as of the date of the Early Termination Schedule will be used by Holdings on a pro rata basis from the date of the Early Termination Schedule through the scheduled expiration date of such loss carryovers; (4) any non-amortizable assets (other than Subsidiary Stock) will be disposed of on the fifteenth anniversary of the applicable Basis Adjustment; provided that , in the event of a Change of Control, such non-amortizable assets shall be deemed disposed of at the time of sale of the relevant asset (if earlier than such fifteenth anniversary); (5) any Subsidiary Stock will be deemed never to be disposed of; (6) if, on the Early Termination Effective Date, RIHI has Common Units that have not been Sold, then each such Common Units shall be deemed to be Sold for the Market Value of the Class A Shares on the Early Termination Effective Date, and RIHI shall be deemed to receive the amount of cash RIHI would have been entitled to pursuant to Section 4.3(a) had such Common Units actually been Sold on the Early Termination Effective Date; and (7) any payment obligations pursuant to this Agreement will be satisfied on the date that any Tax Return to which such payment obligation relates is required to be filed excluding any extensions.

" WP " is defined in the recitals to this Agreement.

" WP Follow-On Common Unit Redemption " is defined in the recitals to this Agreement.

" WP Initial Common Unit Redemption " is defined in the recitals to this Agreement.

" WP IPO-Related Sale " is defined in Section 2.1(a) of the WP TRA.

" WP Preferred Unit Liquidation " is defined in the recitals to this Agreement.

" WP TRA " means that certain Tax Receivable Agreement between Holdings and WP and dated as of the date hereof.

ARTICLE II

DETERMINATION OF REALIZED TAX BENEFIT

Section 2.1 Tax Characterization of Transactions; Basis Adjustments . For purposes of determining the Tax liability of each of the relevant Parties and the amount of any Realized Tax Benefits or Realized Tax Detriments under this Agreement, the Parties agree as follows:

(a) RIHI IPO-Related Sale. Holdings and RIHI will each treat Holdings' purchase of newly issued Common Units from RMCO, followed by (i) the RIHI Initial Common Unit Redemption, and (ii) to the extent that the Over-Allotment Option is exercised, the RIHI Follow-On Common Unit Redemption (collectively, the " RIHI IPO-Related Sale "), as Holdings' direct purchase of Common Units from RIHI pursuant to Section 707(a)(2)(B) of the Code that will give rise to Basis Adjustments. For purposes of the RIHI Initial Common Unit Redemption,

Holdings and RIHI shall treat the gain recognized by RIHI and the Basis Adjustments obtained by Holdings as occurring as of the date hereof. For purposes of the RIHI Follow-On Common Unit Redemption (to the extent that it actually occurs), Holdings and RIHI shall treat the gain recognized by RIHI and the Basis Adjustments obtained by Holdings as occurring as of the date on which the RIHI Follow-On Common Unit Redemption occurs (which may be as of the date hereof or as of some other date up to 30 calendar days following the date hereof, depending upon whether and when the underwriters exercise the Over-Allotment Option). The aggregate sales proceeds that will be treated as received by RIHI from Holdings in connection with the RIHI IPO-Related Sale shall equal the portion of the Remaining Net IPO Proceeds received by RIHI from RMCO in connection with the RIHI Initial Common Unit Redemption and the portion of the Net Over-Allotment Proceeds received by RIHI from RMCO in connection with the RIHI Follow-On Common Unit Redemption (to the extent that it actually occurs), and such sales proceeds shall be allocated based on the number of Common Units treated as sold by RIHI to Holdings in each such transaction. Subject only to any principles contained in IRS Revenue Ruling 84-53 that might otherwise require a different result, the aggregate amount of gain recognized by RIHI in connection with the RIHI IPO-Related Sale shall be determined by allocating an equal portion of RIHI's aggregate adjusted tax basis held in its Common Units to each Common Unit treated as sold by RIHI to Holdings in the RIHI Initial Common Unit Redemption and the RIHI Follow-On Redemption (to the extent that it actually occurs). In connection with the RIHI IPO-Related Sale, RIHI will not elect out of the installment method under Section 453 of the Code and RIHI and Holdings will not take into account the fair market value of any payments to be made under this Agreement in determining the gain recognized by RIHI in respect of the RIHI IPO-Related Sale or in determining Holdings' related Basis Adjustments.

(b) RIHI Post-IPO Sales. Holdings and RIHI will each treat any future redemption of Common Units by RMCO from RIHI, or a direct acquisition of Common Units by Holdings from RIHI, in each case, pursuant to the RIHI Redemption Right, as Holdings' direct purchase of Common Units from RIHI (with any redemption of Common Units by RMCO from RIHI being treated as a direct purchase pursuant to Section 707(a)(2)(B) of the Code)(each a " RIHI Post-IPO Sale ") that will give rise to Basis Adjustments. For purposes of a RIHI Post-IPO Sale, Holdings and RIHI shall treat the gain recognized by RIHI and the Basis Adjustments obtained by Holdings as occurring as of the date of such RIHI Post-IPO Sale. Subject only to any principles contained in IRS Revenue Ruling 84-53 that might otherwise require a different result, the aggregate sales proceeds that will be treated as received by RIHI from Holdings in connection with a RIHI Post-IPO Sale shall equal the fair market value of the Class A Shares or the amount of cash, or both, received by RIHI. For this purpose, the fair market value of any Class A Shares received by RIHI will equal the number of such Class A Shares multiplied by the Common Unit Redemption Price, as defined in the Restated RMCO Partnership Agreement. The aggregate amount of gain recognized by RIHI in connection with a RIHI Post-IPO Sale shall be determined by allocating an equal portion of RIHI's aggregate adjusted tax basis held in its Common Units to each Common Unit treated as sold by RIHI to Holdings. In connection with a RIHI Post-IPO Sale, unless RIHI determines that it will elect out of the installment method under Section 453 of the Code and properly notifies Holdings of that fact pursuant to Section 2.01(d) of this Agreement, RIHI and Holdings will not take into account the fair market value of any payments to be made under this Agreement in determining the gain recognized by RIHI in respect of a RIHI Post-IPO Sale or in determining Holdings' related Basis Adjustments.

(c) Pre -IPO Asset Acquisitions. In the case of the RIHI IPO-Related Sale, and in the case of any RIHI Post-IPO Sale, Holdings and RIHI will treat Holdings' effective acquisition of a share of any Pre-Existing Tax Basis with respect to any Pre-Existing Asset as giving rise to a Basis Adjustment, to the extent that Holdings' acquisition of such Pre-Existing Tax Basis has not already otherwise effectively been accounted for as part of a Basis Adjustment made pursuant to Sections 2.1(a) or 2.1(b). For the avoidance of doubt, the HBN/Tails Contribution shall not give rise to a Basis Adjustment because the HBN/Tails Contribution will not result in Holdings' acquisition of a share of any Pre-Existing Tax Basis in connection with an actual or deemed acquisition by Holdings of Common Units from RIHI. Furthermore, and again for the avoidance of doubt, Holdings' acquired share of Pre-Existing Tax Basis with respect to any Pre-Existing Asset in connection with the RIHI IPO-Related Sale or any RIHI Post-IPO Sale shall equal an amount that is proportionate to the ratio that (x) the total number of Common Units exchanged by RIHI in the relevant transaction bears to (y) the total number of Preferred Units and Common Units outstanding immediately prior to such transaction, subject to any required adjustments under Section 704(c) of the Code or other applicable Code provisions. For purposes of calculating Holdings' actual Tax liability under this Agreement, the amount of any items of amortization or deduction attributable to any Basis Adjustment that Holdings receives pursuant to this Section 2.1(c) in respect of any acquired share of Pre-Existing Tax Basis shall be determined using RMCO's applicable recovery period for each relevant Pre-Existing Tax Asset.

(d) Payments Under Agreement. The Parties agree that (i) all Tax Benefit Payments made by Holdings to RIHI under this Agreement and attributable to the Basis Adjustments (excluding amounts accounted for as Imputed Interest and any Actual Interest Amounts) will be treated as subsequent upward purchase price adjustments that give rise to further Basis Adjustments with respect to Reference Assets for Holdings in the year of payment and (ii) as a result, such additional Basis Adjustments will be incorporated into the relevant calculations under this Agreement for the year of payment and for future years, as appropriate. Any Tax Benefit Payments will be reported by RIHI using the installment method under Section 453 of the Code (to the extent applicable, and taking into account the rules under Section 453A of the Code), unless RIHI decides in connection with a RIHI Post-IPO Sale to affirmatively elect out of the installment method and to treat the fair market value of its rights to receive such Tax Benefit Payments as received on the relevant date on which such RIHI Post-IPO Sale occurs (the " Redemption Date "). For purposes of this Agreement, RIHI shall notify Holdings of any decision to affirmatively elect out of the installment method by delivering written notice to Holdings by no later than January 31 st of the year following the year in which the relevant Redemption Date occurs. For the avoidance of doubt, any Tax benefit attributable to any deduction taken by Holdings with respect to Imputed Interest or Actual Interest Amounts payable by Holdings under this Agreement shall be accounted for in connection with calculating the Realized Tax Benefits or Realized Tax Detriments under this Agreement. Notwithstanding anything herein to the contrary, unless (i) the Parties agree otherwise in writing upon the request of RIHI or (ii) RIHI provides timely written notice to Holdings that it will elect out of the installment method under Section 453, in no event shall the gross Tax Benefit Payments paid in respect of the RIHI IPO-Related Sale or any RIHI Post-IPO Sale exceed 75% of the amount of the initial consideration received by RIHI in connection with such RIHI IPO-Related Sale or any RIHI Post-IPO Sale (which, for the avoidance of doubt, shall include the amount of any cash and the fair market value of any Class A Shares to be received, and exclude the fair market value of any Tax Benefit Payments).

(e) RMCO Section 754 Election. In its capacity as the sole managing member of RMCO, Holdings will ensure that, on and after the date hereof, and continuing throughout the term of this Agreement, RMCO and each of its direct and indirect subsidiaries that is treated as a partnership for U.S. federal income tax purposes will have in effect an election under Section 754 of the Code (and under any similar provisions of applicable state or local law).

Section 2.2 Basis Schedules. Following the end of the Taxable year in which the RIHI IPO-Related Sale occurs, and following the end of each Taxable Year in which any RIHI Post-IPO Sale occurs, Holdings shall use commercially reasonable efforts to deliver to RIHI as promptly as practicable (but in any event no later than ninety (90) calendar days after the filing of the U.S. federal income tax return of Holdings for such Taxable year) a schedule (the "Basis Schedule") that shows, in reasonable detail as necessary in order to understand the calculations performed under this Agreement: (i) the Non-Adjusted Tax Basis of the Reference Assets as of each applicable Sale Date; (ii) the Basis Adjustments with respect to the Reference Assets as a result of the relevant Sales effected in such Taxable Year, calculated (a) in the aggregate (including Sales attributable to both RIHI and WP), and (b) solely with respect to Sales by RIHI; (iii) the period (or periods) over which the Reference Assets are amortizable and/or depreciable; and (iv) the period (or periods) over which each Basis Adjustment is amortizable and/or depreciable.

Section 2.3 Tax Benefit Schedules.

(a) Tax Benefit Schedule. Within ninety (90) calendar days after the filing of the U.S. federal income Tax Return of Holdings for any Taxable Year in which there is a Realized Tax Benefit or Realized Tax Detriment, Holdings shall provide to RIHI a schedule showing, in reasonable detail, the calculation of the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year (a "Tax Benefit Schedule"). The Tax Benefit Schedule will become final and binding on the Parties pursuant to the procedures set forth in Section 2.4(a), and may be amended by the Parties pursuant to the procedures set forth in Section 2.4(b).

(b) Applicable Principles. Subject to the provisions of this Agreement, the Realized Tax Benefit or Realized Tax Detriment for each Taxable Year is intended to measure the decrease or increase in the actual liability of Holdings for Covered Taxes for such Taxable Year attributable to the Basis Adjustments, Imputed Interest, and Actual Interest Amounts, as determined using a "with and without" methodology. Carryovers or carrybacks of any Tax item attributable to any Basis Adjustment, Imputed Interest, or Actual Interest Amounts shall be considered to be subject to the rules of the Code and the Treasury Regulations or the appropriate provisions of U.S. state tax law, as applicable, governing the use, limitation and expiration of carryovers or carrybacks of the relevant type. If a carryover or carryback of any Tax item includes a portion that is attributable to a Basis Adjustment, Imputed Interest, or Actual Interest Amounts (a "TRA Portion") and another portion that is not (a "Non-TRA Portion"), such portions shall be considered to be used in accordance with the "with and without" methodology so that: (i) the amount of any Non-TRA Portion is deemed utilized first, followed by the amount of any TRA Portion (with the TRA Portion being applied on a proportionate basis consistent with the provisions of Section 3.3(a)); and (ii) in the case of a carryback of a Non-TRA Portion, such carryback shall not affect the original "with and without" calculation made in the prior Taxable Year (which, for the avoidance of doubt, may result in RIHI and/or WP retaining the

amount of a prior Tax Benefit Payment that was made in respect of a prior Taxable Year as originally calculated pursuant to the terms of this Agreement, even though the Hypothetical Tax Liability of Holdings on a purely "without" basis might be less as compared with the original calculation if the Non-TRA portion was otherwise applied to and allowed to affect the original "with and without" calculation made in such prior Taxable Year).

Section 2.4 Procedures; Amendments .

(a) Procedures . Each time Holdings delivers an applicable Schedule to RIHI under this Agreement, including any Amended Schedule delivered pursuant to Section 2.4(b), but excluding any Early Termination Schedule or amended Early Termination Schedule delivered pursuant to the procedures set forth in Section 4.2, Holdings shall also: (x) deliver supporting schedules and work papers, as determined by Holdings or as reasonably requested by RIHI, that provide a reasonable level of detail regarding the data and calculations that were relevant for purposes of preparing the Schedule; (y) deliver an Advisory Firm Letter supporting such Schedule; and (z) allow RIHI and its advisors to have reasonable access to the appropriate representatives, as determined by Holdings or as reasonably requested by RIHI, at Holdings and the Advisory Firm in connection with a review of such Schedule. Without limiting the generality of the preceding sentence, Holdings shall ensure that any Tax Benefit Schedule that is delivered to RIHI, along with any supporting schedules and work papers, provides a reasonably detailed presentation of the calculation of the actual liability of Holdings for Covered Taxes (the "with" calculation) and the Hypothetical Tax Liability of Holdings (the "without" calculation), and identifies any material assumptions or operating procedures or principles that were used for purposes of such calculations. An applicable Schedule or amendment thereto shall become final and binding on the Parties thirty (30) calendar days from the date on which RIHI first received the applicable Schedule or amendment thereto unless:

(i) RIHI within thirty (30) calendar days after receiving the applicable Schedule or amendment thereto, provides Holdings with (A) written notice of a material objection to such Schedule that is made in good faith and that sets forth in reasonable detail RIHI's material objection (an " Objection Notice ") and (B) a letter from an Advisory Firm (that is different from the Advisory Firm that was used by Holdings to prepare the Schedule at issue) in support of such Objection Notice; or

(ii) RIHI provides a written waiver of its right to deliver an Objection Notice within the time period described in clause (i) above, in which case such Schedule or amendment thereto becomes binding on the date the waiver is received by Holdings.

In the event that RIHI timely delivers an Objection Notice pursuant to clause (i) above, and if the Parties, for any reason, are unable to successfully resolve the issues raised in the Objection Notice within thirty (30) calendar days after receipt by Holdings of the Objection Notice, Holdings and RIHI shall employ the reconciliation procedures as described in Section 7.9 of this Agreement (the " Reconciliation Procedures "). For the avoidance of doubt, and notwithstanding anything to the contrary herein, the expense of preparing and obtaining the letter from an Advisory Firm referenced in clause (i) above shall be borne solely by RIHI and Holdings shall have no liability with respect to such letter or any of the expenses associated with its preparation and delivery.

(b) Amended Schedule . The applicable Schedule for any Taxable Year may be amended from time to time by Holdings: (i) in connection with a Determination affecting such Schedule; (ii) to correct inaccuracies in the Schedule identified as a result of the receipt of additional factual information relating to a Taxable Year after the date the Schedule was originally provided to RIHI; (iii) to comply with (A) an Expert's determination under the Reconciliation Procedures applicable to this Agreement or (B) an Expert's determination under the Reconciliation Procedures applicable to the WP TRA (as such term is defined in Section 2.4(a) of such WP TRA); (iv) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryback or carryforward of a loss or other Tax item to such Taxable Year; (v) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year; or (vi) to adjust a Basis Schedule to take into account any Tax Benefit Payments made pursuant to this Agreement (any such Schedule, an " Amended Schedule ").

ARTICLE III

TAX BENEFIT PAYMENTS

Section 3.1 Timing and Amount of Tax Benefit Payments .

(a) Timing of Payments . Except as provided in Sections 3.4, 3.5, and 3.6, and subject to Sections 3.2 and 3.3, within five (5) Business Days following the date on which each Tax Benefit Schedule that is required to be delivered by Holdings to RIHI pursuant to Section 2.3(a) of this Agreement becomes final in accordance with Section 2.4(a) of this Agreement, Holdings shall pay to RIHI the Tax Benefit Payment as determined pursuant to Section 3.1(b). Each such Tax Benefit Payment shall be made by wire or transfer of immediately available funds to the bank account previously designated by RIHI or as otherwise agreed by Holdings and RIHI. For the avoidance of doubt, RIHI shall not be required under any circumstances to return any portion of any Tax Benefit Payment previously paid by Holdings to RIHI (including any portion of any Estimated Tax Benefit Payment or any Early Termination Payment).

(b) Amount of Payments. For purposes of this Agreement, a " Tax Benefit Payment " means an amount, not less than zero, equal to the sum of: (i) the Net Tax Benefit that is Attributable to RIHI (including Imputed Interest calculated in respect of such amount); and (ii) the Actual Interest Amount.

(i) Attributable . A Net Tax Benefit is " Attributable " to RIHI to the extent that it is derived from any Basis Adjustment, Imputed Interest, or Actual Interest Amount that is attributable to: (i) the RIHI IPO-Related Sale (which, for the avoidance of doubt, is composed of the RIHI Initial Common Unit Redemption and, to the extent applicable, the RIHI Follow-On Common Unit Redemption); or (ii) any RIHI Post-IPO Sale.

(ii) Net Tax Benefit. The " Net Tax Benefit " for a Taxable Year equals the amount of the excess, if any, of (x) 85% of the Cumulative Net Realized Tax Benefit as of the end of such Taxable Year over (y) the aggregate amount of all Tax Benefit Payments previously made to RIHI under this Section 3.1. For the avoidance of doubt, if

the Cumulative Net Realized Tax Benefit as of the end of any Taxable Year is less than the aggregate amount of all Tax Benefit Payments Previously made to RIHI, RIHI shall not be required to return any portion of any Tax Benefit Payment previously made by Holdings to RIHI.

(iii) Cumulative Net Realized Tax Benefit. The " Cumulative Net Realized Tax Benefit " for a Taxable Year equals the cumulative amount of Realized Tax Benefits for all Taxable Years of Holdings, up to and including such Taxable Year, net of the cumulative amount of Realized Tax Detriments for the same period. The Realized Tax Benefit and Realized Tax Detriment for each Taxable Year shall be determined based on the most recent Tax Benefit Schedule or Amended Schedule, if any, in existence at the time of such determination.

(iv) Realized Tax Benefit. The " Realized Tax Benefit " for a Taxable Year equals the excess, if any, of the Hypothetical Tax Liability over the actual liability of Holdings for Covered Taxes. If all or a portion of the actual liability for such Covered Taxes for the Taxable Year arises as a result of an audit by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination.

(v) Realized Tax Detriment. The " Realized Tax Detriment " for a Taxable Year equals the excess, if any, of the actual liability of Holdings for Covered Taxes over the Hypothetical Tax Liability for such Taxable Year. If all or a portion of the actual liability for such Covered Taxes for the Taxable Year arises as a result of an audit by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination.

(vi) Imputed Interest. The principles of Sections 1272, 1274, or 483 of the Code, as applicable, and the principles of any similar provision of state and local law, will apply to cause a portion of any Net Tax Benefit payable by Holdings to RIHI under this Agreement to be treated as imputed interest (" Imputed Interest "). For the avoidance of doubt, the amount of Imputed Interest as determined with respect to any Net Tax Benefit payable by Holdings to RIHI shall be excluded from the Hypothetical Tax Liability of Holdings for purposes of calculating Realized Tax Benefits and Realized Tax Detriments pursuant to this Agreement.

(vii) Actual Interest Amount. The " Actual Interest Amount " calculated in respect of the Net Tax Benefit for a Taxable Year will equal the amount of any Extension Rate Interest. For the avoidance of doubt, any Actual Interest Amount as determined with respect to any Net Tax Benefit payable by Holdings to RIHI shall be excluded from the Hypothetical Tax Liability of Holdings for purposes of calculating Realized Tax Benefits and Realized Tax Detriments pursuant to this Agreement.

(viii) Extension Rate Interest . Subject to Section 3.4, the amount of " Extension Rate Interest " calculated in respect of the Net Tax Benefit (including previously accrued Imputed Interest) for a Taxable Year will equal interest calculated at the Agreed Rate from the due date (without extensions) for filing the U.S. federal income Tax Return of

Holdings for such Taxable Year until the date on which Holdings makes a timely Tax Benefit Payment to RIHI on or before the Final Payment Date as determined pursuant to Section 3.1(a).

(ix) Default Rate Interest. In the event that Holdings does not make timely payment of all or any portion of a Tax Benefit Payment to RIHI on or before the Final Payment Date as determined pursuant to Section 3.1(a), the amount of " Default Rate Interest " calculated in respect of the Net Tax Benefit (including previously accrued Imputed Interest and Extension Rate Interest) for a Taxable Year will equal interest calculated at the Default Rate from the Final Payment Date for a Tax Benefit Payment as determined pursuant to Section 3.1(a) until the date on which Holdings makes such Tax Benefit Payment to RIHI. For the avoidance of doubt, the amount of any Default Rate Interest as determined with respect to any Net Tax Benefit payable by Holdings to RIHI shall be included in the Hypothetical Tax Liability of Holdings for purposes of calculating Realized Tax Benefits and Realized Tax Detriments pursuant to this Agreement.

Holdings and RIHI hereby acknowledge and agree that, as of the date of this Agreement and as of the date of any future Sale that may be subject to this Agreement, the aggregate value of the Tax Benefit Payments cannot be reasonably ascertained for U.S. federal income or other applicable Tax purposes.

Section 3.2 No Duplicative Payments . It is intended that the provisions of this Agreement will not result in the duplicative payment of any amount (including interest) that may be required under this Agreement, and the provisions of this Agreement shall be consistently interpreted and applied in accordance with that intent. With respect to the amount of interest that may be payable under this Agreement, and for the avoidance of doubt, the provisions of Section 3.1(b) are intended to operate so that interest will effectively accrue in respect of the Net Tax Benefit for any Taxable Year: (i) first, at the applicable rate used to determine the amount of Imputed Interest under the Code (from the relevant Sale Date or date on which the relevant Tax Benefit Payment was made until the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for such Taxable Year); (ii) second, at the Agreed Rate in respect of any Extension Rate Interest (from the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for such Taxable Year until the Final Payment Date for a Tax Benefit Payment as determined pursuant to Section 3.1(a)); and (iii) third, at the Default Rate in respect of any Default Rate Interest (from the Final Payment Date for a Tax Benefit Payment as determined pursuant to Section 3.1(a) until the date on which Holdings makes the relevant Tax Benefit Payment to RIHI). For purposes of this Agreement, and also for the avoidance of doubt, no Tax Benefit Payment shall be calculated or made in respect of any estimated Tax payments, including, without limitation, any estimated U.S. federal income tax payments.

Section 3.3 Pro-Ration of Payments as Between RIHI and WP .

(a) Insufficient Taxable Income. Notwithstanding anything in Section 3.1(b) to the contrary, if the aggregate potential Tax benefit of Holdings' as calculated with respect to the Basis Adjustments, Imputed Interest, and Actual Interest Amounts is limited in a particular

Taxable Year because Holdings does not have sufficient actual taxable income, then the available Tax benefit for Holdings shall be allocated among the RIHI TRA and the WP TRA in proportion to the respective Tax Benefit Payment (as defined in Section 3.1(b) of each of the RIHI TRA and the WP TRA) that would have been payable if Holdings had in fact had sufficient taxable income so that there had been no such limitation. As an illustration of the intended operation of this Section 3.3(a), if Holdings had $200 of aggregate potential Tax benefits with respect to the Basis Adjustments, Imputed Interest, and Actual Interest Amounts in a particular Taxable Year (with $50 of such Tax benefits being attributable to the RIHI TRA and $150 of such Tax benefits being attributable to the WP TRA), such that RIHI would have potentially been entitled to a Tax Benefit Payment of $42.50 and WP would have been entitled to a Tax Benefit Payment of $127.50 if Holdings had $200 of taxable income, and if at the same time Holdings only had $100 of actual taxable income in such Taxable Year, then $25 of the aggregate $100 actual Tax benefit for Holdings for such Taxable Year would be allocated to the RIHI TRA and $75 of the aggregate $100 actual Tax benefit for Holdings would be allocated to the WP TRA, such that RIHI would receive a Tax Benefit Payment of $21.25 and WP would receive a Tax Benefit Payment of $63.75.

(b) Late Payments. If for any reason Holdings is not able to timely and fully satisfy its payment obligations under both the RIHI TRA and the WP TRA in respect of a particular Taxable Year, then Default Rate Interest will begin to accrue pursuant to Section 5.2 and Holdings and RIHI agree that (i) Holdings shall pay the same proportion of each Tax Benefit Payment (as defined in Section 3.1(b) of each of the RIHI TRA and the WP TRA) due in respect of such Taxable Year, without favoring one obligation over the other, and (ii) no Tax Benefit Payment shall be made in respect of any Taxable Year until all Tax Benefit Payments in respect of prior Taxable Years have been made in full.

Section 3.4 Optional Estimated Payment Procedure. As long as Holdings is current in respect of its payment obligations owed under each of the RIHI TRA and the WP TRA and there are no delinquent Tax Benefit Payments outstanding in respect of prior Taxable Years, Holdings may, at any time on or after the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for a Taxable Year and at Holdings' option, make one or more estimated payments to RIHI in respect of any anticipated amounts to be owed with respect to a Taxable Year to RIHI pursuant to Section 3.1 of this Agreement (any such estimated payments referred to as an " Estimated Tax Benefit Payment "); provided , that any Estimated Tax Benefit Payment made to RIHI pursuant to this Section 3.4 is matched by a proportionately equal Estimated Tax Benefit Payment to WP under Section 3.4 of the WP TRA. Any Estimated Tax Benefit Payment made under this Section 3.4 shall be paid by Holdings to RIHI and applied against the final amount of any expected Tax Benefit Payment to be made pursuant to Section 3.1. The payment of an Estimated Tax Benefit Payment by Holdings to RIHI pursuant to this Section 3.4 shall also terminate the obligation of Holdings to make payment of any Extension Rate Interest that might have otherwise been owed with respect to the proportionate amount of the Tax Benefit Payment that is being paid off in advance of the applicable Tax Benefit Schedule being finalized pursuant to Section 2.4. Upon the making of any Estimated Tax Benefit Payment pursuant to this Section 3.4, the amount of such Estimated Tax Benefit Payment shall first be applied to any estimated Extension Rate Interest, then to Imputed Interest, and then applied to the remaining residual amount of the Tax Benefit Payment to be made pursuant to Section 3.1. In determining the final amount of any Tax Benefit Payment to be made pursuant to Section 3.1, and for

purposes of finalizing the Tax Benefit Schedule pursuant to Section 2.4, the amount of any Estimated Tax Benefit Payments that may have been made with respect to the Taxable Year shall be increased, if the finally determined Tax Benefit Payment for a Taxable Year exceeds the Estimated Tax Benefit Payments made for such Taxable Year, with such increase being paid by Holdings to RIHI along with an appropriate amount of Extension Rate Interest in respect of such increase (a " True-Up "). If the Estimated Tax Benefit Payment for a Taxable Year exceeds the finally determined Tax Benefit Payment for such Taxable Year, such excess, along with an appropriate amount of Extension Rate Interest in respect of such excess (being charged by Holdings to RIHI), shall be applied to reduce the amount of any subsequent future Tax Benefit Payments (including Estimated Tax Benefit Payments, if any) to be paid by Holdings to RIHI. As of the date on which any Estimated Tax Benefit Payments are made, and as of the date on which any True-Up is made, all such payments shall be made in the same manner and subject to the same terms and conditions as otherwise contemplated by Section 3.1 and all other applicable terms of this Agreement. For the avoidance of doubt, as is the case with Tax Benefit Payments made by Holdings to RIHI pursuant to Section 3.1, the amount of any Estimated Tax Benefit Payments made pursuant to this Section 3.4 shall also be treated, in part, as subsequent upward purchase price adjustments that give rise to Basis Adjustments in the Taxable Year of payment and as of the date on which such payments are made (to the extent of the estimated Net Tax Benefit associated with such Estimated Tax Benefit Payment, less any Imputed Interest, and exclusive of any Extension Rate Interest).

Section 3.5 Suspension of Payments.

(a) Receipt of Change Notice. If any Party, or any Affiliate or Subsidiary of any Party, receives a 30-day letter, a final audit report, a statutory notice of deficiency, or similar written notice from any Taxing Authority relating to the amount of the Net Tax Benefit calculated for purposes of this Agreement, or relating to any other material Tax matter that is relevant to the terms of this Agreement and the calculation of the Tax Benefit Payments that may be payable by Holdings to RIHI (a " Change Notice "), prompt written notification and a copy of the relevant Change Notice shall be delivered by the Party, or its Affiliate or Subsidiary, that received such Change Notice to the other Party to this Agreement.

(b) Receipt of Reserve Notice. Prior to the delivery of any Tax Benefit Schedule or other Schedule by Holdings to RIHI pursuant to Section 2.4, the auditors for Holdings shall consult with the management of Holdings and, if necessary, the Advisory Firm or other legal or accounting advisors to Holdings regarding the substantive Tax issues and related conclusions that underlie the calculations related to the determination of the Tax Benefit Payments required under this Agreement. If, following such consultation, the auditors for Holdings reasonably determine that a Tax reserve or contingent liability must be established by Holdings or RMCO for financial accounting purposes (as determined in accordance with GAAP) in relation to any past or future Tax position that affects the amount of any past or future Tax Benefit Payments that have been made or that may be made under this Agreement, then the management of Holdings shall notify the Audit Committee of such determination (a " Reserve Notice ").

(c) Suspension of Payments. From and after the date on which a Change Notice or a Reserve Notice is received, any Tax Benefit Payments required to be made under this

Agreement will, to the extent determined reasonably necessary by the Audit Committee after considering the potential Tax implications of the Change Notice or the Reserve Notice, be paid by Holdings to a national bank mutually agreeable to the Parties to act as escrow agent to hold such funds in escrow pursuant to an escrow agreement until a Determination is received (in the case of a Change Notice) or the relevant reserve is released or contingent liability is eliminated (in the case of a Reserve Notice). For purposes of the preceding sentence, and in particular for purposes of the Audit Committee's determination of the amount to be placed in escrow pending a Determination (in the case of a Change Notice) or the release of a reserve or the elimination of a contingent liability (in the Case of a Reserve Notice), the Audit Committee: (i) will suspend all future Tax Benefit Payments required under this Agreement until the amount of such suspended Tax Benefit Payments at least equals 85% of the amount of the asserted deficiency in Tax owed (in the case of a Change Notice) or 85% of the amount of the reserve or contingent liability (in the case of a Reserve Notice); and (ii) upon the suspension of Tax Benefit Payments in the minimum amount contemplated by the preceding clause (i), may continue to suspend all or a portion of any future Tax Benefit Payments required under this Agreement.

(d) Release of Escrowed Funds. As of the date on which a reserve is released or contingent liability is eliminated (in the case of a Reserve Notice), and provided that no Change Notice has previously been issued and is still outstanding in relation to the same Tax position that was the subject of the Reserve Notice, the relevant escrowed funds (along with any net interest earned on such funds, and less the out-of-pocket expenses incurred by Holdings or RMCO in administering the escrow) shall be distributed to RIHI. If a Determination is received (in the case of a Change Notice), and if such Determination results in no adjustment in any Tax Benefit Payments under this Agreement, and provided that no Reserve Notice has previously been issued and is still outstanding in relation to the same Tax position that was the subject of the Change Notice, then the relevant escrowed funds (along with any net interest earned on such funds, and less the out-of-pocket expenses incurred by Holdings or RMCO in administering the escrow) shall be distributed to RIHI. If a Determination is received (in the case of a Change Notice), and if such Determination results in an adjustment in any Tax Benefit Payments under this Agreement, and provided that no Reserve Notice has previously been issued and is still outstanding in relation to the same Tax position that was the subject of the Change Notice, then the relevant escrowed funds (along with any net interest earned on such funds) shall be distributed as follows: (i) first, to Holdings or RMCO in an amount equal to the out-of-pocket expenses incurred by Holdings or RMCO in administering the escrow and in contesting the Determination; and (ii) second, to the relevant Parties (which, for the avoidance of doubt and depending on the nature of the adjustments, may include Holdings, RMCO, or RIHI, or some combination thereof) in accordance with the relevant Amended Schedule prepared pursuant to Section 2.4 of this Agreement.

Section 3.6 Payments Upon a Change of Control. Upon a Change of Control, all Tax Benefit Payments, whether paid with respect to Units that were Sold prior to the date of such Change of Control or on or after the date of such Change of Control, shall be calculated (i) by using Valuation Assumptions (3), (4) and (5), substituting in each case the terms "the closing date of a Change of Control" for an "Early Termination Effective Date" and (ii) assuming that in each Taxable Year ending on or after the closing date of such Change of Control, Holdings' Taxable income (prior to the application of deductions arising from the Basis Adjustments, Imputed Interest, and Actual Interest Amounts) will equal the greater of (A) the actual Taxable

income (prior to the application of deductions arising from the Basis Adjustments, Imputed Interest, and Actual Interest Amounts) for such Taxable Year and (B) the product of (x) four and (y) the highest taxable income (calculated without taking into account extraordinary items of income or deduction and prior to the application of deductions arising from the Basis Adjustments, Imputed Interest, and Actual Interest Amounts) in any of the four fiscal quarters ended prior to the closing date of such Change of Control. The amount determined pursuant to clause (B) of the preceding sentence shall be increased by 10% (compounded annually) for each Taxable Year beginning with the second Taxable Year following the closing date of the Change of Control and shall be adjusted on a daily pro rata basis for any short Taxable Year following the Change of Control.

ARTICLE IV

TERMINATION

Section 4.1 Early Termination of Agreement; Breach of Agreement.

(a) Early Termination Right. With the written approval of a majority of the Independent Directors, Holdings may completely terminate this Agreement, as and to the extent provided herein, with respect to all amounts payable to RIHI by paying to RIHI the Early Termination Payment; provided , that any Early Termination Payment made to RIHI pursuant to this Section 4.1(a) is matched by an Early Termination Payment to WP under Section 4.1(a) of the WP TRA and in complete termination of the WP TRA, and provided , further , that Holdings may withdraw any notice to execute its termination rights under this Section 4.1(a) prior to the time at which any Early Termination Payment has been paid. Upon Holdings' payment of the Early Termination Payment, Holdings shall not have any further payment obligations under this Agreement, other than with respect to any: (i) prior Tax Benefit Payments that are due and payable under this Agreement but that still remain unpaid as of the date of the Early Termination Notice; and (ii) current Tax Benefit Payment due for the Taxable Year ending with or including the date of the Early Termination Notice (except to the extent that the amount described in clause (ii) is included in the calculation of the Early Termination Payment). If a Sale subsequently occurs with respect to Common Units for which Holdings has exercised its termination rights under this Section 4.1(a), Holdings shall have no obligations under this Agreement with respect to such Sale.

(b) Acceleration Upon Breach of Agreement. In the event that Holdings materially breaches any of its material obligations under this Agreement, whether as a result of failure to make any payment when due, failure to honor any other material obligation required hereunder, or by operation of law as a result of the rejection of this Agreement in a case commenced under the Bankruptcy Code or otherwise, then all obligations hereunder shall be automatically accelerated and become immediately due and payable, and such obligations shall be calculated as if an Early Termination Notice had been delivered on the date of such breach and shall include, but not be limited to: (i) the Early Termination Payment calculated as if an Early Termination Notice had been delivered on the date of such breach; (ii) any prior Tax Benefit Payments that are due and payable under this Agreement but that still remain unpaid as of the date of such breach; and (iii) any current Tax Benefit Payment due for the Taxable Year ending with or including the date of such breach. Notwithstanding the foregoing, in the event that Holdings breaches this Agreement and such breach is not a material breach of a material

obligation, RIHI shall still be entitled to enforce all of its rights otherwise available under this Agreement, including potentially seeking an acceleration of amounts payable under this Agreement. For purposes of this Section 4.1(b), and subject to the following sentence, the Parties agree that the failure to make any payment due pursuant to this Agreement within six (6) months of the relevant Final Payment Date shall be deemed to be a material breach of a material obligation under this Agreement for all purposes of this Agreement, and that it will not be considered to be a material breach of a material obligation under this Agreement to make a payment due pursuant to this Agreement within six (6) months of the relevant Final Payment Date. Notwithstanding anything in this Agreement to the contrary, it shall not be a material breach of a material obligation of this Agreement if Holdings fails to make any Tax Benefit Payment within six (6) months of the relevant Final Payment Date to the extent that Holdings has insufficient funds, or cannot take commercially reasonable actions to obtain sufficient funds, to make such payment; provided that the interest provisions of Section 5.2 shall apply to such late payment (unless Holdings does not have sufficient funds to make such payment as a result of limitations imposed by any Senior Obligations, in which case Section 5.2 shall apply, but the Default Rate shall be replaced by the Extension Rate).

Section 4.2 Early Termination Notice . If Holdings chooses to exercise its right of early termination under Section 4.1 above, Holdings shall deliver to RIHI a notice of Holdings' decision to exercise such right (an " Early Termination Notice ") and a schedule (the " Early Termination Schedule ") showing in reasonable detail the calculation of the Early Termination Payment. Holdings shall also (x) deliver supporting schedules and work papers, as determined by Holdings or as reasonably requested by RIHI, that provide a reasonable level of detail regarding the data and calculations that were relevant for purposes of preparing the Early Termination Schedule; (y) deliver an Advisory Firm Letter supporting such Early Termination Schedule; and (z) allow RIHI and its advisors to have reasonable access to the appropriate representatives, as determined by Holdings or as reasonably requested by RIHI, at Holdings and the Advisory Firm in connection with a review of such Early Termination Schedule. The Early Termination Schedule shall become final and binding on each Party thirty (30) calendar days from the first date on which RIHI received such Early Termination Schedule unless:

(i) RIHI within thirty (30) calendar days after receiving the Early Termination Schedule, provides Holdings with (A) notice of a material objection to such Early Termination Schedule made in good faith and setting forth in reasonable detail RIHI's material objection (a " Termination Objection Notice ") and (B) a letter from an Advisory Firm (that is different from the Advisory Firm that was used by Holdings to prepare the Early Termination Schedule) in support of such Termination Objection Notice; or

(ii) RIHI provides a written waiver of such right of a Termination Objection Notice within the period described in clause (i) above, in which case such Early Termination Schedule becomes binding on the date the waiver is received by Holdings.

In the event that RIHI timely delivers a Termination Objection Notice pursuant to clause (i) above, and if the Parties, for any reason, are unable to successfully resolve the issues raised in the Termination Objection Notice within thirty (30) calendar days after receipt by Holdings of the Termination Objection Notice, Holdings and RIHI shall employ the Reconciliation Procedures. For the avoidance of doubt, and notwithstanding anything to the contrary herein, the

expense of preparing and obtaining the letter from an Advisory Firm referenced in clause (i) above shall be borne solely by RIHI and Holdings shall have no liability with respect to such letter or any of the expenses associated with its preparation and delivery. The date on which the Early Termination Schedule becomes final in accordance with this Section 4.2 shall be the " Early Termination Reference Date ."

Section 4.3 Payment Upon Early Termination .

(a) Timing of Payment. Within five (5) Business Days after the later of either the (i) Early Termination Reference Date or (ii) if Holdings is concurrently exercising early termination rights under the WP TRA, the Early Termination Reference Date pursuant to the WP TRA, Holdings shall pay to RIHI an amount equal to the Early Termination Payment. Such payment shall be made by Holdings by wire or transfer of immediately available funds to a bank account or accounts designated by RIHI or as otherwise agreed by Holdings and RIHI.

(b) Amount of Payment. The " Early Termination Payment " payable pursuant to Section 4.3(a) shall equal the present value, discounted at the Early Termination Rate as determined as of the Early Termination Reference Date, of all Tax Benefit Payments that would be required to be paid by Holdings to RIHI beginning from the Early Termination Effective Date and using the Valuation Assumptions.

ARTICLE V

SUBORDINATION AND LATE PAYMENTS

Section 5.1 Subordination . Notwithstanding any other provision of this Agreement to the contrary, any Tax Benefit Payment or Early Termination Payment required to be made by Holdings to RIHI under this Agreement shall rank subordinate and junior in right of payment to any principal, interest, or other amounts due and payable in respect of any obligations owed in respect of secured indebtedness for borrowed money of Holdings and its Subsidiaries (" Senior Obligations ") and shall rank *pari passu* with all current or future unsecured obligations of Holdings that are not Senior Obligations.

Section 5.2 Late Payments by Holdings . The amount of all or any portion of any Tax Benefit Payment or Early Termination Payment not made to RIHI when due under the terms of this Agreement shall be payable together with any interest thereon, computed at the Default Rate and commencing from the Final Payment Date on which such Tax Benefit Payment or Early Termination Payment was first due and payable.

ARTICLE VI

TAX MATTERS; CONSISTENCY; COOPERATION

Section 6.1 Participation in Holdings' and RMCO's Tax Matters . Except as otherwise provided herein, and except as provided in Article IX of the Restated RMCO Partnership Agreement, Holdings shall have full responsibility for, and sole discretion over, all Tax matters concerning Holdings and RMCO, including without limitation the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to

Taxes. Notwithstanding the foregoing, Holdings shall notify RIHI of, and keep them reasonably informed with respect to, the portion of any Tax audit of Holdings or RMCO, or any of RMCO's Subsidiaries, the outcome of which is reasonably expected to materially affect the Tax Benefit Payments payable to RIHI under this Agreement, and RIHI shall have the right to participate in and to monitor at its own expense (but, for the avoidance of doubt, not to control) any such portion of any such Tax audit.

Section 6.2 Consistency. All calculations and determinations made hereunder, including, without limitation, any Basis Adjustments, the Schedules, and the determination of any Realized Tax Benefits or Realized Tax Detriments, shall be made in accordance with the elections, methodologies or positions taken by Holdings and RMCO on their respective Tax Returns. RIHI shall prepare its Tax Returns in a manner that is consistent with the terms of this Agreement, and any related calculations or determinations that are made hereunder, including, without limitation, the terms of Section 2.1 of this Agreement and the Schedules provided to RIHI under this Agreement. In the event that an Advisory Firm is replaced with another Advisory Firm acceptable to the Audit Committee, such replacement Advisory Firm shall perform its services under this Agreement using procedures and methodologies consistent with the previous Advisory Firm, unless otherwise required by law or unless Holdings and RIHI agree to the use of other procedures and methodologies.

Section 6.3 Cooperation. RIHI shall (a) furnish to Holdings in a timely manner such information, documents and other materials as Holdings may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make itself available to Holdings and its representatives to provide explanations of documents and materials and such other information as Holdings or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c) reasonably cooperate in connection with any such matter, and Holdings shall reimburse RIHI for any reasonable third-Party costs and expenses incurred pursuant to this Section 6.3.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Notices. All notices, requests, consents and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by certified or registered mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be as specified in a notice given in accordance with this Section 7.1). All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the Party to receive such notice:

If to Holdings, to:

RE/MAX Holdings, Inc.
5075 S. Syracuse Street
Denver, CO 80237
Attention: David Metzger, Chief Financial Officer
Geoffrey Lewis, General Counsel
Telephone: (303) 770-5531
Facsimile: (303) 796-3599

with a copy (which shall not constitute notice to Holdings) to:

Morrison & Foerster LLP
370 Seventeenth Street
Suite 5200
Denver, CO 80202
Telephone: 303-592-1500
Facsimile: 303-592-1510
Attention: David B. Strong

If to RIHI:

RIHI, Inc.
5075 S. Syracuse Street
Denver, Colorado 80237
Attention: David Metzger, Chief Financial Officer
Geoffrey Lewis, General Counsel
Telephone: (303) 770-5531
Facsimile: (303) 796-3599

with a copy (which shall not constitute notice to RIHI) to:

Morrison & Foerster LLP
370 Seventeenth Street
Suite 5200
Denver, CO 80202
Telephone: 303-592-1500
Facsimile: 303-592-1510
Attention: David B. Strong

Any Party may change its address or fax number by giving the other Party written notice of its new address or fax number in the manner set forth above.

Section 7.2 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

Section 7.3 Entire Agreement; No Third Party Beneficiaries . This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof. Except with respect to the provisions of Section 3.3, 3.4, and 4.1(a), which the Parties agree will make WP a third-Party beneficiary of this Agreement solely to the extent that such provisions require that proportionate payments be made by Holdings to each of RIHI and WP, this Agreement shall be binding upon and inure solely to the benefit of each Party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.4 Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware, without regard to the conflicts of laws principles thereof that would mandate the application of the laws of another jurisdiction.

Section 7.5 Severability . If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 7.6 Assignment; Amendments; Successors; Waiver .

(a) Assignment. RIHI may not assign, sell, pledge, or otherwise alienate or transfer any interest in this Agreement, including the right to receive any Tax Benefit Payments under this Agreement, to any Person without the prior written consent of Holdings, which consent shall not be unreasonably withheld, conditioned, or delayed, and without such Person executing and delivering a joinder to this Agreement, in form and substance substantially similar to Exhibit A to this Agreement, agreeing to succeed to the applicable portion of RIHI's interest in this Agreement and to become a Party for all purposes of this Agreement (the " Joinder Requirement "); provided , however , that to the extent RIHI sells, exchanges, distributes, or otherwise transfers Common Units to any Person (other than Holdings or RMCO) in accordance with the terms of the Restated RMCO Partnership Agreement, RIHI shall have the option to assign to the transferee of such Common Units its rights under this Agreement with respect to such transferred Common Units, provided that such transferee has satisfied the Joinder Requirement. For the avoidance of doubt, if RIHI transfers Common Units in accordance with the terms of the Restated RMCO Partnership Agreement but does not assign to the transferee of such Common Units its rights under this Agreement with respect to such transferred Common Units, RIHI shall continue to be entitled to receive the Tax Benefit Payments arising in respect of a subsequent Sale of such Common Units.

(b) Amendments. No provision of this Agreement may be amended unless such amendment is approved in writing by Holdings and RIHI, and solely with respect to the

provisions of Sections 3.3, 3.4, and 4.1(a), to the extent that such provisions require that proportionate payments be made by Holdings to each of RIHI and WP, is approved in writing by Holdings, RIHI and WP ; provided , that, amendment of the definition of Change of Control will also require the written approval of a majority of the Independent Directors. Notwithstanding the foregoing, in the case of any amendment to the WP TRA, the corresponding provision of this Agreement shall be automatically amended in a corresponding manner, unless RIHI specifies otherwise in writing after being notified in a timely manner by Holdings of such amendment. No provision of this Agreement may be waived unless such waiver is in writing and signed by the Party against whom the waiver is to be effective.

(c) Successors. All of the terms and provisions of this Agreement shall be binding upon, and shall inure to the benefit of and be enforceable by, the Parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. Holdings shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of Holdings, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that Holdings would be required to perform if no such succession had taken place.

(d) Waiver. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or any other covenant, duty, agreement, or condition.

Section 7.7 Titles and Subtitles . The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

Section 7.8 Resolution of Disputes .

(a) Except for Reconciliation Disputes subject to Section 7.9, any and all disputes which cannot be settled amicably, including any ancillary claims of any Party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) (each a " Dispute ") shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration by a panel of three arbitrators, of which each Party shall designate one arbitrator in accordance with the "screened" appointment procedure provided in Resolution Rule 5.4. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.* , and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of the arbitration shall be Denver, Colorado.

(b) Notwithstanding the provisions of paragraph (a), any Party to this Agreement may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling another Party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Party (i) expressly consents to the application of paragraph (c) of this

Section 7.8 to any such action or proceeding, and (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate. For the avoidance of doubt, this Section 7.8 shall not apply to Reconciliation Disputes to be settled in accordance with the procedures set forth in Section 7.9.

(c) Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware or, if such Court declines jurisdiction, the courts of the State of Delaware sitting in Wilmington, Delaware, and of the U.S. District Court for the District of Delaware sitting in Wilmington, Delaware, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment, and each of the Parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Delaware State court or, to the fullest extent permitted by applicable law, in such U.S. District Court. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(d) Each Party irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 7.8(c). Each Party irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(e) Each Party irrevocably consents to service of process by means of notice in the manner provided for in Section 7.1. Nothing in this Agreement shall affect the right of any Party to serve process in any other manner permitted by law.

(f) Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of Section 7.9, or a Dispute within the meaning of Section 7.8, shall be decided and resolved as a Dispute subject to the procedures set forth in Section 7.8.

Section 7.9 Reconciliation . In the event that Holdings and RIHI are unable to resolve a disagreement with respect to a Schedule (other than an Early Termination Schedule) prepared in accordance with the procedures set forth in Section 2.4, or with respect to an Early Termination Schedule prepared in accordance with the procedures set forth in Section 4.2, within the relevant time period designated in this Agreement (a " Reconciliation Dispute "), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert (the " Expert ") in the particular area of disagreement mutually acceptable to both Parties. The Expert shall be a partner or principal in a nationally recognized accounting firm, and unless Holdings and RIHI agree otherwise, the Expert shall not, and the firm that employs the Expert shall not, have any material relationship with Holdings or RIHI or other actual or potential conflict of interest. If the Parties are unable to agree on an Expert within fifteen (15) calendar days of receipt by the respondent(s) of written notice of a Reconciliation Dispute, the selection of an Expert shall be treated as a Dispute subject to Section 7.8 and an arbitration panel shall pick an Expert from a nationally recognized accounting firm that does not have any material

relationship with Holdings or RIHI or other actual or potential conflict of interest. The Expert shall resolve any matter relating to the Basis Schedule or an amendment thereto or the Early Termination Schedule or an amendment thereto within thirty (30) calendar days and shall resolve any matter relating to a Tax Benefit Schedule or an amendment thereto within fifteen (15) calendar days or as soon thereafter as is reasonably practicable, in each case after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement would be due (in the absence of such disagreement) or any Tax Return reflecting the subject of a disagreement is due, the undisputed amount shall be paid on the date prescribed by this Agreement and such Tax Return may be filed as prepared by Holdings, subject to adjustment or amendment upon resolution. The costs and expenses relating to the engagement of such Expert or amending any Tax Return shall be borne by Holdings except as provided in the next sentence. Holdings and RIHI shall bear their own costs and expenses of such proceeding, unless (i) the Expert adopts RIHI's position, in which case Holdings shall reimburse RIHI for any reasonable out-of-pocket costs and expenses in such proceeding, or (ii) the Expert adopts Holdings' position, in which case RIHI shall reimburse Holdings for any reasonable out-of-pocket costs and expenses in such proceeding. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.9 shall be binding on Holdings and RIHI and may be entered and enforced in any court having jurisdiction.

Section 7.10 Withholding . Holdings shall be entitled to deduct and withhold from any payment that is payable to RIHI pursuant to this Agreement such amounts as Holdings is required to deduct and withhold with respect to the making of such payment under the Code or any provision of state, local or foreign Tax law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by Holdings, such withheld amounts shall be treated for all purposes of this Agreement as having been paid by Holdings to RIHI.

Section 7.11 Admission of Holdings Into a Consolidated Group; Transfers of Corporate Assets .

(a) Subject to Section 3.6, or other applicable provisions of this Agreement, if Holdings is or becomes a member of an affiliated or consolidated group of corporations that files a consolidated income Tax Return pursuant to Section 1501 or other applicable Sections of the Code governing affiliated or consolidated groups, or any corresponding provisions of state or local law, then: (i) the provisions of this Agreement shall be applied with respect to the group as a whole; and (ii) Tax Benefit Payments (including payments following a Change of Control, as determined subject to the provisions of Section 3.6), Early Termination Payments, and other applicable items hereunder shall be computed with reference to the consolidated Taxable income of the group as a whole. For the avoidance of doubt, and with respect to clause (ii) of the preceding sentence, if Holdings is not a member of an affiliated or consolidated group of corporations that files a consolidated income Tax Return prior to a Change of Control, but becomes a member of such a group immediately following such Change of Control, then the actual Taxable income of Holdings for purposes of clause (ii)(A) of the first sentence of Section 3.6 shall be calculated based on the consolidated Taxable income of the group as a whole, while the Taxable income of Holdings for purposes of clause (ii)(B) of the first sentence of Section 3.6 shall be calculated based on the Taxable income of Holdings on a stand-alone basis as determined prior to the closing date of such Change of Control.

(b) If any entity that is obligated to make a Tax Benefit Payment or Early Termination Payment hereunder transfers one or more assets to a corporation (or a Person classified as a corporation for U.S. income tax purposes) with which such entity does not file a consolidated tax return pursuant to Section 1501 of the Code, such entity, for purposes of calculating the amount of any Tax Benefit Payment (including payments following a Change of Control) or Early Termination Payment due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such contribution. The consideration deemed to be received by such entity shall be equal to the fair market value of the contributed asset. For purposes of this Section 7.11, a transfer of a partnership interest shall be treated as a transfer of the transferring partner's share of each of the assets and liabilities of that partnership.

Section 7.12 Confidentiality. RIHI and its assignees acknowledge and agree that the information of Holdings is confidential and, except in the course of performing any duties as necessary for Holdings and its Affiliates, as required by law or legal process or to enforce the terms of this Agreement, such Person shall keep and retain in the strictest confidence and not disclose to any Person any confidential matters, acquired pursuant to this Agreement, of Holdings and its Affiliates and successors, learned by RIHI heretofore or hereafter. This Section 7.12 shall not apply to (i) any information that has been made publicly available by Holdings or any of its Affiliates, becomes public knowledge (except as a result of an act of RIHI in violation of this Agreement) or is generally known to the business community and (ii) the disclosure of information to the extent necessary for RIHI to prepare and file its Tax Returns, to respond to any inquiries regarding the same from any Taxing Authority or to prosecute or defend any action, proceeding or audit by any Taxing Authority with respect to such Tax Returns. Notwithstanding anything to the contrary herein, RIHI and each of their assignees (and each employee, representative or other agent of RIHI or their assignees, as applicable) may disclose at their discretion to any and all Persons, without limitation of any kind, the Tax treatment and Tax structure of Holdings, RIHI, and any of their transactions, and all materials of any kind (including Tax opinions or other Tax analyses) that are provided to RIHI relating to such Tax treatment and Tax structure. If RIHI or an assignee commits a breach, or threatens to commit a breach, of any of the provisions of this Section 7.12, Holdings shall have the right and remedy to have the provisions of this Section 7.12 specifically enforced by injunctive relief or otherwise by any court of competent jurisdiction without the need to post any bond or other security, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Holdings or any of its Subsidiaries and that money damages alone shall not provide an adequate remedy to such Persons. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available at law or in equity.

Section 7.13 Change in Law. Notwithstanding anything herein to the contrary, if, in connection with an actual or proposed change in law, RIHI reasonably believes that the existence of this Agreement could cause income (other than income arising from receipt of a payment under this Agreement) recognized by RIHI (or direct or indirect equity holders in RIHI) in connection with any Sale to be treated as ordinary income rather than capital gain (or otherwise taxed at ordinary income rates) for U.S. federal income tax purposes or would have other material adverse Tax consequences to RIHI or any direct or indirect owner of RIHI, then at the election of RIHI and to the extent specified by RIHI, this Agreement shall cease to have further effect and shall not apply to a Sale occurring after a date specified by RIHI, or may be amended by in a manner determined by RIHI, provided that such amendment shall not result in an increase

in any payments owed by Holdings under this Agreement at any time as compared to the amounts and times of payments that would have been due in the absence of such amendment.

Section 7.14 Independent Nature of Rights and Obligations . The rights and obligations of RIHI hereunder are several and not joint with the rights and obligations of any other Person (including, for the avoidance of doubt, any rights and obligations that WP may have as a third-party beneficiary under Sections 3.3, 3.4, and 4.1(a)). RIHI shall not be responsible in any way for the performance of the obligations of any other Person hereunder, nor shall RIHI have the right to enforce the rights or obligations of any other Person hereunder. The obligations of RIHI hereunder are solely for the benefit of, and shall be enforceable solely by, Holdings. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by RIHI pursuant hereto or thereto, shall be deemed to constitute RIHI and WP acting as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that RIHI and WP are in any way acting in concert or as a group with respect to such rights or obligations or the transactions contemplated hereby, and Holdings acknowledges that RIHI and WP are not acting in concert or as a group and will not assert any such claim with respect to such rights or obligations or the transactions contemplated hereby.

[*Signature Page Follows This Page*]

IN WITNESS WHEREOF, Holdings and RIHI have duly executed this Agreement as of the date first written above.

RE/MAX Holdings, Inc.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

RIHI, Inc.

By: /s/ RIHI, Inc.
Name: Geoffrey D. Lewis
Title: Secretary

[*Signature Page to Tax Receivable Agreement Between Holdings and RIHI*]

Exhibit A

Joinder

This JOINDER (" Joinder ") to the Tax Receivable Agreement (as defined below) is dated as of , and is entered into by and among RE/MAX Holdings, Inc., a Delaware corporation (" Holdings "), RIHI, Inc., a Delaware corporation (" Transferor "), and (" Permitted Transferee ").

WHEREAS, on , the Permitted Transferee acquired (the " Acquisition ") [Common Units from Transferor and][the right to receive any and all payments that may become due and payable under the Tax Receivable Agreement (as defined below) with respect to][such Common Units][Common Units that were previously sold or redeemed by Transferor][as described and set forth in greater detail in Annex A to this Joinder] ([collectively,] the " Interest "); and

WHEREAS, Transferor, in connection with the Acquisition, has required Permitted Transferee to execute and deliver this Joinder pursuant to Section 7.6 of the Tax Receivable Agreement, dated as of , between Holdings and Transferor (the " Tax Receivable Agreement ");

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Permitted Transferee hereby agrees as follows:

Section 1.1. Definitions . To the extent capitalized words used in this Joinder are not defined in this Joinder, such words shall have the respective meanings set forth in the Tax Receivable Agreement.

Section 1.2. Joinder . Permitted Transferee hereby acknowledges and agrees to become a Party to the Tax Receivable Agreement for all purposes of the Tax Receivable Agreement and to the extent of the Interest.

Section 1.3. Notice . Any notice, request, consent, claim, demand, approval, waiver or other communication hereunder to Permitted Transferee shall be delivered or sent to Permitted Transferee at the address set forth on the signature page hereto in accordance with Section 7.1 of the Tax Receivable Agreement.

Section 1.4. Governing Law . This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed, interpreted and enforced in accordance with, the laws of the State of Delaware (without regard to any choice of law rules thereunder).

IN WITNESS WHEREOF, this Joinder has been duly executed and delivered by Permitted Transferee as of the date first above written.

[PERMITTED TRANSFEREE]

By: _____

Name:
Title:
Address for notices:

Annex A

Common Unit Holders and Transfers

Exhibit B

List of Pre-IPO Asset Acquisitions

Region	Seller	Purchaser	Acquisition Date
Pennsylvania-Delaware	RE/MAX of Southeastern PA, Inc. (Stefonick)	RE/MAX International, Inc.	9/28/99
Western Canada	RAMMIR (Bob Cherot)	RE/MAX International, Inc.	6/25/98
Pacific Northwest	Pacific Northwest Real Estate Franchisors; Edward & Mary Johnson	RE/MAX International, Inc.	7/27/93
Mountain States	RE/MAX of Colorado, Inc.	RE/MAX, LLC	12/31/11
Florida	RE/MAX of Florida, Inc.; Don & Glenda Hachenberge	RE/MAX Florida, LLC	7/1/07
Florida Ad Fund	Promotional Services Group; Don & Glenda Hachenberger	RE/MAX Florida Ad Fund, Inc.	11/14/07
Carolinas	RE/MAX Carolinas, Inc.; Don & Glenda Hachenberger; Bob McWaters	RE/MAX Carolinas, LLC	7/1/07
California & Hawaii	RE/MAX of California & Hawaii, Inc.; Sidney Syvertson; Steve Haselton	RE/MAX International, Inc. (RE/MAX California and Hawaii, LLC on April agreements)	2/22/07
California & Hawaii Ad Fund	C&H Productions, Inc.	RE/MAX California and Hawaii Ad Fund, Inc.	May 2007
Caribbean	RE/MAX International, Inc.	Franchising Magicians, Inc. (W. Patrick Murphy)	
			7/3/99
Texas	RE/MAX/KEMCO Partnership, LP dba RE/MAX of Texas; R.Filip; C.El-Mousse; B.Parker; P.Leung	RE/MAX, LLC	12/31/12
Texas Ad Fund	RE/MAX Institutional Promotional Fund, Inc.; RE/MAX/KEMCO Partnership, LP; R.Filip	RE/MAX Texas Ad Fund, Inc.	12/31/12
Mexico	RE/MAX International, Inc.	INMOMAX de Mexico, S. de R.L. de C.V.	2/14/01
	INMOMAX de Mexico, S. de R.L de C.V.	Resultados Máximos Complementarios	
"Maximum Title"	Maximum Title Group, Inc.	LOE, Inc.	9/3/03
	Maximum Title Group of Frederick, Inc.	LOE, Inc.	9/3/03
	Maximum Title of Virginia, Inc.	LOE, Inc.	9/3/03
	Title America Services, Inc. and Clair F. Simpson	LOE, Inc.	9/3/03
"RE/MAX 100"	Howard Realty/Forty West Realty	RB2B, Inc.	9/3/03
	S&A Realty	RB2B, Inc.	9/3/03
	Wyvill/Bannister	RB2B, Inc.	9/3/03
	Wyvill/Above the Crowd	RB2B, Inc.	9/3/03
	Rosemarie Crowley	RB2B, Inc.	5/1/06
Equity Group	Ideal Properties (Gervais)	RE/MAX International, Inc.	4/1/07
	Navigators Mortgage (Gervais)	RE/MAX International, Inc.	4/1/07
N/A	RIHI, Inc.	Weston Presidio V, L.P.	4/16/10
N/A	Canyon Creek Realty dba RE/MAX Northwest Realtors	STC, LLC	6/1/07

**Exhibit B subject to change pending completion of final initial Basis Schedule pursuant to Section 2.2 of the Agreement*

Exhibit 10.12

TAX RECEIVABLE AGREEMENT

between

WESTON PRESIDIO V, L.P.

and

RE/MAX HOLDINGS, INC.

Dated as of October 7, 2013

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Exhibit A: Joinder
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Exhibit B: List of Pre-IPO Asset Acquisitions

TAX RECEIVABLE AGREEMENT

This TAX RECEIVABLE AGREEMENT (this " Agreement "), dated as of October 7, 2013, is hereby entered into by and between RE/MAX Holdings, Inc., a Delaware corporation (" Holdings "), and Weston Presidio V, L.P., a Delaware limited partnership (" WP "), and each of their respective successors and assigns hereto.

RECITALS

WHEREAS, RMCO, LLC, a Delaware limited liability company (" RMCO "), is classified as a partnership for United States (" U.S. ") federal income tax purposes and, prior to the date hereof, WP held Class A preferred units in RMCO, RIHI, Inc., a Delaware corporation (" RIHI "), held Class B common units in RMCO, and RMCO engaged in certain Pre-IPO Asset Acquisitions;

WHEREAS, as of the date hereof, RMCO has recapitalized itself (the " Recapitalization ") pursuant to the Restated RMCO Partnership Agreement (as defined herein) and, as a result of the Recapitalization, (i) WP has received newly issued preferred units in RMCO (" Preferred Units ") and newly issued common units in RMCO (" Common Units ") in exchange for WP's prior Class A preferred units in RMCO and (ii) RIHI has received Common Units in exchange for RIHI's prior Class B common units in RMCO;

WHEREAS, as of the date hereof, and exclusive of the Over-Allotment Option (as defined below), Holdings has sold its Class A shares (" Class A Shares ") to public investors in an initial public offering (" IPO ") and has used $27,305,000 of the net proceeds received from the IPO (the " Net IPO Proceeds ") to purchase the HBN/Tails Assets (as defined herein);

WHEREAS, as of the date hereof, and following the Recapitalization, the IPO, and Holdings' purchase of the HBN/Tails Assets, Holdings has subsequently contributed the HBN/Tails Assets (the " HBN/Tails Contribution ") to RMCO in exchange for Common Units worth $27,305,000 pursuant to that certain Contribution Agreement (as defined herein);

WHEREAS, as of the date hereof, and following the HBN/Tails Contribution, Holdings has used the remaining Net IPO Proceeds that were left over following its purchase of the HBN/Tails Assets (the " Remaining Net IPO Proceeds ") to purchase newly issued Common Units from RMCO pursuant to that certain Common Unit Purchase Agreement (as defined herein);

WHEREAS, following RMCO's receipt of the Remaining Net IPO Proceeds from Holdings in exchange for RMCO's delivery of newly issued Common Units to Holdings, RMCO has used $49,850,000 of the Remaining Net IPO Proceeds to first completely liquidate the Preferred Units held by WP, including to satisfy the liquidation preference associated with the Preferred Units (the " WP Preferred Unit Liquidation ") and;

WHEREAS, following the WP Preferred Unit Liquidation, RMCO has used the rest of the Remaining Net IPO Proceeds to redeem Common Units held by RIHI (the " RIHI Initial Common Unit Redemption ") and to redeem Common Units held by WP (the " WP Initial Common Unit Redemption ");

WHEREAS, on and after the date hereof, Holdings may issue additional Class A shares in connection with the IPO as a result of the exercise by the underwriters of their over-allotment option (the " Over-Allotment Option ") and, if the Over-Allotment Option is in fact exercised in whole or in part, any additional net proceeds (the " Net Over-Allotment Proceeds ") shall also be used by Holdings to purchase newly issued Common Units from RMCO pursuant to the Common Unit Purchase Agreement;

WHEREAS, following RMCO's receipt of any Net Over-Allotment Proceeds from Holdings in exchange for RMCO's delivery of newly issued Common Units to Holdings, RMCO will, in turn, use such Net Over-Allotment Proceeds to redeem additional Common Units held by RIHI (the " RIHI Follow-On Common Unit Redemption ") and, to the extent that WP's membership interest in RMCO is not otherwise completely redeemed in the WP Initial Common Unit Redemption, to redeem Common Units held by WP (the " WP Follow-On Common Unit Redemption ");

WHEREAS, on and after the date hereof, RIHI has the right to have its remaining Common Units redeemed by RMCO, or under certain circumstances acquired by Holdings, pursuant to Article XI of the Restated RMCO Partnership Agreement (the " RIHI Redemption Right ");

WHEREAS, the Parties (as defined herein) desire to make certain arrangements with respect to the Realized Tax Benefits and Realized Tax Detriments (as each of those terms is defined herein), if any, associated with the foregoing relationships, agreements, and transactions.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions . As used in this Agreement, the terms set forth in this Article I shall have the following meanings (such meanings to be equally applicable to both (i) the singular and plural and (ii) the active and passive forms of the terms defined).

" Actual Interest Amount " is defined in Section 3.1(b)(vii) of this Agreement.

" Advisory Firm " means an accounting firm or law firm that, in either case, is nationally recognized as being expert in Tax matters. Solely with respect to the Advisory Firm that may be used by Holdings in connection with the performance of its obligations under this Agreement, such Advisory Firm shall initially be proposed as KPMG, LLP, subject to review and approval by the Audit Committee. The Audit Committee may subsequently replace the Advisory Firm used by Holdings in connection with the performance of its obligations under this Agreement at any time at its discretion, subject to the consistency requirements set forth in Section 6.2 of this Agreement.

" Advisory Firm Letter " means a letter, that has been prepared by the Advisory Firm used by Holdings in connection with the performance of its obligations under this Agreement and reviewed and approved by the Audit Committee, which states that the relevant Schedules, notices or other information to be provided by Holdings to WP, along with all supporting schedules and work papers, were prepared in a manner that is consistent with the terms of this Agreement and, to the extent not expressly provided in this Agreement, on a reasonable basis in light of the facts and law in existence on the date such Schedules, notices or other information were delivered by Holdings to WP.

" Affiliate " means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person.

" Agreed Rate " means LIBOR plus 100 basis points.

" Agreement " is defined in the preamble.

" Amended Schedule " is defined in Section 2.4(b) of this Agreement.

" Attributable " is defined in Section 3.1(b)(i) of this Agreement.

" Audit Committee " means the independent audit committee of the Board.

" Basis Adjustment " means any adjustment to, or share of, Tax basis that Holdings may obtain in relation to a Reference Asset and that may arise:

(i) in the case of the WP IPO-Related Sale (which, for the avoidance of doubt, is composed of the WP Preferred Unit Liquidation, the WP Initial Common Unit Redemption, and, to the extent applicable, the WP Follow-On Common Unit Redemption), under Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder, or comparable sections of state, local, or foreign Tax laws;

(ii) in the case of the RIHI IPO-Related Sale (which, for the avoidance of doubt, is composed of the RIHI Initial Common Unit Redemption and, to the extent applicable, the RIHI Follow-On Common Unit Redemption), under Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder, or comparable sections of state, local, or foreign Tax laws;

(iii) in the case of any RIHI Post-IPO Sale, under either (A) Sections 755 and 1012 of the Code and the Treasury Regulations promulgated thereunder, or other applicable provisions of the Code, or comparable sections of state, local, or foreign tax laws (in situations where RMCO becomes an entity that is disregarded as separate from its owner for U.S. federal income tax purposes) or (B) Sections 743(b) and 755 of the Code and the Treasury Regulations promulgated thereunder, or other applicable provisions of the Code, or comparable sections of state, local, or foreign Tax laws (in situations where RMCO remains in existence as an entity for U.S. federal income tax purposes);

(iv) in the case of the WP IPO-Related Sale, the RIHI IPO-Related Sale, or any RIHI Post-IPO Sale, as a result of Holdings' effective acquisition of a share of any Pre-Existing Tax Basis (and to the extent that such acquisition of Pre-Existing Tax Basis is not otherwise already accounted for as a Basis Adjustment under any of the preceding clauses (i), (ii), or (iii), as applicable); or

(v) with respect to any Tax Benefit Payments made by Holdings to WP pursuant to this Agreement (excluding amounts accounted for as Imputed Interest and any Actual Interest Amounts).

Notwithstanding any other provision of this Agreement, the amount of any Basis Adjustment resulting from any transaction that is subject to clause (iii) above (including any Basis Adjustments that result under clause (iv) or (v) above by reason of a transaction described in clause (iii) above) shall be determined without regard to any Pre-Exchange Transfer and as if any such Pre-Exchange Transfer had not occurred, to the extent that such Pre-Exchange Transfer resulted in the partial or complete elimination of a future Basis Adjustment that Holdings would have otherwise obtained pursuant to the terms of this Agreement.

" Basis Schedule " is defined in Section 2.2 of this Agreement.

" Beneficial Owner " means, with respect to any security, a Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (i) voting power, which includes the power to vote, or to direct the voting of, with respect to such security and/or (ii) investment power, which includes the power to dispose of, or to direct the disposition of, such security.

" Board " means the Board of Directors of Holdings.

" Business Day " means any day excluding Saturday, Sunday and any day that is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in New York are closed.

" Change Notice " is defined in Section 3.5(a) of this Agreement.

" Change of Control " means the occurrence of any of the following events:

(i) any Person or any group of Persons acting together which would constitute a "group" for purposes of Section 13(d) of the Securities and Exchange Act of 1934, as amended, or any successor provisions thereto, is or becomes the Beneficial Owner, directly or indirectly, of equity interests of Holdings representing more than 50% of the combined voting power represented by all issued and outstanding equity interests in Holdings; provided, that RIHI's ownership of Class B shares of Holdings as of the date hereof, and RIHI's potential future ownership of any Class A Shares that may arise as a result of a RIHI Post-IPO Sale, shall not be considered, either individually or collectively, to cause a Change of Control; or

(ii) less than a majority of the members of the Board shall be individuals who are either (x) members of such Board at the time of the completion of the IPO or (y) members of the Board whose election, or nomination for election by the stockholders of Holdings, was approved by a vote of at least a majority of the members of the Board then in office who are individuals described in clause (x) above or in this clause (y), other than any individual whose nomination or appointment under this clause (y) occurred as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors on the Board (other than any such solicitation made by the Board); or

(iii) there is consummated a merger or consolidation of Holdings with any other corporation or other entity, and, immediately after the consummation of such merger or consolidation, either (x) the Board immediately prior to the merger or consolidation does not constitute at least a majority of the board of directors of the company surviving the merger or, if the surviving company is a Subsidiary, the ultimate parent thereof, or (y) the voting securities of Holdings immediately prior to such merger or consolidation do not continue to represent or are not converted into more than 50% of the combined voting power of the then outstanding voting securities of the Person resulting from such merger or consolidation or, if the surviving company is a Subsidiary, the ultimate parent thereof; or

(iv) the shareholders of Holdings approve a plan of complete liquidation or dissolution of Holdings or there is consummated an agreement or series of related agreements for the sale or other disposition, directly or indirectly, by Holdings of all or substantially all of Holdings' assets, other than such sale or other disposition by Holdings of all or substantially all of Holdings' assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by shareholders of Holdings in substantially the same proportions as their ownership of Holdings immediately prior to such sale.

Notwithstanding the foregoing, except with respect to clause (ii) and clause (iii)(x) above, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the Class A Shares and Class B shares of Holdings immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in and voting control over, and own substantially all of the shares of, an entity which owns all or substantially all of the assets of Holdings immediately following such transaction or series of transactions.

" Class A Shares " is defined in the recitals to this Agreement.

" Code " means the U.S. Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder.

" Common Units " is defined in the recitals to this Agreement.

" Common Unit Purchase Agreement " means that certain Common Unit Purchase Agreement between Holdings and RMCO and dated as of the date hereof.

" Contribution Agreement " means that certain Contribution Agreement between Holdings and RMCO and dated as of the date hereof.

" Control " means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

" Covered Taxes " means any and all U.S. federal income taxes and U.S. state and local income and franchise taxes.

" Cumulative Net Realized Tax Benefit " is defined in Section 3.1(b)(iii) of this Agreement.

" Default Rate " means LIBOR plus 300 basis points.

" Default Rate Interest " is defined in Section 3.1(b)(ix) of this Agreement.

" Determination " shall have the meaning ascribed to such term in Section 1313(a) of the Code or similar provision of state tax law, as applicable, or any other event (including the execution of IRS Form 870-AD) that finally and conclusively establishes the amount of any liability for Tax.

" Dispute " has the meaning set forth in Section 7.8(a) of this Agreement.

" Early Termination Effective Date " means the date of an Early Termination Notice for purposes of determining the Early Termination Payment.

" Early Termination Reference Date " is defined in Section 4.2 of this Agreement.

" Early Termination Notice " is defined in Section 4.2 of this Agreement.

" Early Termination Schedule " is defined in Section 4.2 of this Agreement.

" Early Termination Payment " is defined in Section 4.3(b) of this Agreement.

" Early Termination Rate " means the lesser of (i) 6.50% per annum, compounded annually, and (ii) LIBOR plus 100 basis points.

" Estimated Tax Benefit Payment " is defined in Section 3.4 of this Agreement.

" Expert " is defined in Section 7.9 of this Agreement.

" Extension Rate Interest " is defined in Section 3.1(b)(viii) of this Agreement.

" Final Payment Date " means any date on which a payment is required to be made pursuant to this Agreement. For the avoidance of doubt, the Final Payment Date in respect of a Tax Benefit Payment is determined pursuant to Section 3.1(a) of this Agreement.

" GAAP " means U.S. generally accepted accounting principles as consistently applied and interpreted.

" HBN/Tails Assets " means the assets purchased by Holdings from HBN, Inc. and Tails, Inc. as of the date hereof.

" HBN/Tails Contribution " is defined in the recitals to this Agreement.

" Holdings " is defined in the preamble to this Agreement.

" Holdings' Return " means the U.S. federal or state Tax Return, as applicable, of Holdings (or any consolidated Tax Return filed for a group of which Holdings is a member) filed with respect to Taxes for any Taxable Year.

" Hypothetical Tax Liability " means, with respect to any Taxable Year, the hypothetical liability of Holdings that would arise in respect of Covered Taxes, using the same methods, elections, conventions and similar practices used on the relevant Holdings' Returns but (i) calculating depreciation, amortization, or other similar deductions, or otherwise calculating any items of income, gain, or loss, using the Non-Adjusted Tax Basis as reflected on the Basis Schedule, including amendments thereto for the Taxable Year, and (ii) excluding any deduction attributable to Imputed Interest or Actual Interest Amounts for the Taxable Year. For the avoidance of doubt, the Hypothetical Tax Liability shall be determined without taking into account the carryover or carryback of any Tax item (or portions thereof) that is attributable to any of the items described in the previous sentence.

" Imputed Interest " is defined in Section 3.1(b)(vi) of this Agreement.

" Independent Directors " means the independent members of the Board.

" IPO " is defined in the recitals to this Agreement.

" IRS " means the U.S. Internal Revenue Service.

" Joinder Requirement " is defined in Section 7.6(a) of this Agreement.

" LIBOR " means during any period, an interest rate per annum equal to the one-year LIBOR reported, on the date two days prior to the first day of such period, on the Telerate Page 3750 (or if such screen shall cease to be publicly available, as reported on Reuters Screen page "LIBOR01" or by any other publicly available source of such market rate) for London interbank offered rates for U.S. dollar deposits for such period.

" Market Value " shall mean the Common Unit Redemption Price, as defined in the Restated RMCO Partnership Agreement, determined as of an Early Termination Date.

" Net IPO Proceeds " is defined in the recitals to this Agreement.

" Net Over-Allotment Proceeds " is defined in the recitals to this Agreement.

" Net Tax Benefit " is defined in Section 3.1(b)(ii) of this Agreement.

" Non-Adjusted Tax Basis " means, with respect to any Reference Asset at any time, the Tax basis that such asset would have had at such time if no Basis Adjustments had been made.

" Objection Notice " has the meaning set forth in Section 2.4(a)(i) of this Agreement.

" Over-Allotment Option " is defined in the recitals to this Agreement.

" Parties " means the parties to this Agreement; namely, Holdings and WP, and their respective successors and assigns.

" Person " means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

" Pre-Exchange Transfer " means any valid transfer, distribution, sale, exchange, or other disposition of Common Units by RIHI, as determined pursuant to the terms of the Restated RMCO Partnership Agreement and to a party other than RMCO or Holdings, that is treated as a taxable transaction for applicable Tax purposes.

" Pre-Existing Assets " means any of the tangible and intangible assets of RMCO that were originally acquired prior to the date hereof in connection with the Pre-IPO Asset Acquisitions.

" Pre-Existing Tax Basis " means any pre-existing Tax basis attributable to a Pre-Existing Asset.

" Preferred Unit " is defined in the recitals to this Agreement.

" Pre-IPO Asset Acquisitions " means the taxable asset acquisition transactions consummated prior to the IPO by either RIHI, RMCO, or WP, or by any of their respective Affiliates or Subsidiaries, or by any predecessor entities of their respective Affiliates or Subsidiaries (excluding Holdings), as set forth on Exhibit B to this Agreement.

" Realized Tax Benefit " is defined in Section 3.1(b)(iv) of this Agreement.

" Realized Tax Detriment " is defined in Section 3.1(b)(v) of this Agreement.

" Recapitalization " is defined in the recitals to this Agreement.

" Reconciliation Dispute " has the meaning set forth in Section 7.9 of this Agreement.

" Reconciliation Procedures " has the meaning set forth in Section 2.4(a) of this Agreement.

" Redemption Date " is defined in Section 2.1(c) of this Agreement.

" Reference Asset " means any tangible or intangible asset of RMCO or any of its successors or assigns, and whether held directly by RMCO or indirectly by RMCO through any entity in which RMCO now holds or may subsequently hold an ownership interest, at the time of (i) the WP IPO-Related Sale, (ii) the RIHI IPO-Related Sale, or (iii) any RIHI Post-IPO Sale. A Reference Asset also includes any asset the Tax basis of which is determined, in whole or in part, by reference to the Tax basis of an asset that is described in the preceding sentence, including "substituted basis property" within the meaning of Section 7701(a)(42) of the Code.

" Remaining Net IPO Proceeds " is defined in the recitals to this Agreement and, for the avoidance of doubt, means the Net IPO Proceeds, minus the $27,305,000 used by Holdings to purchase the HBN/Tails Assets as of the date hereof.

" Reserve Notice " is defined in Section 3.5(b).

" Restated RMCO Partnership Agreement " means that certain Fourth Amended and Restated Limited Liability Company Agreement of RMCO, dated as of the date hereof, and entered into by and among RMCO,

RIHI, and WP, as such agreement may be further amended, restated, supplemented and/or otherwise modified from time to time.

" RIHI " is defined in the recitals to this Agreement.

" RIHI Follow-On Common Unit Redemption " is defined in the recitals to this Agreement.

" RIHI Initial Common Unit Redemption " is defined in the recitals to this Agreement.

" RIHI IPO-Related Sale " is defined in Section 2.1(a) of the RIHI TRA.

" RIHI Post-IPO Sale " is defined in Section 2.1(b) of the RIHI TRA.

" RIHI Redemption Right " is defined in the recitals to this Agreement.

" RIHI TRA " means that certain Tax Receivable Agreement between Holdings and RIHI and dated as of the date hereof.

" RMCO " is defined in the recitals to this Agreement.

" Sale " means a sale of Units effected by (i) RIHI in connection with the RIHI IPO-Related Sale or any RIHI Post-IPO Sale or (ii) WP in connection with the WP IPO-Related Sale. Any reference in this Agreement to Units " Sold " is intended to denote Units subject to Sale.

" Sale Date " means the date of any Sale, which, for the avoidance of doubt, means: (i) as of the date hereof, in the case of the WP Preferred Unit Liquidation, the RIHI Initial Common Unit Redemption, and the WP Initial Common Unit Redemption; (ii) as of the date on which the underwriters exercise the Over-Allotment Option, in the case of the RIHI Follow-On Common Unit Redemption and the WP Follow-On Common Unit Redemption (to the extent that it occurs); and (iii) as of the relevant Redemption Date, in the case of a RIHI Post-IPO Sale.

" Schedule " means any of the following: (i) a Basis Schedule, (ii) a Tax Benefit Schedule, or (iii) the Early Termination Schedule, and, in each case, any amendments thereto.

" Senior Obligations " is defined in Section 5.1 of this Agreement.

" Subsidiary " means, with respect to any Person and as of the date of any determination, any other Person as to which such Person, owns, directly or indirectly, or otherwise controls, more than 50% of the voting power or other similar interests, or the sole general partner interest, or managing member or similar interest of such Person.

" Subsidiary Stock " means any stock or other equity interest in any subsidiary entity of Holdings that is treated as a corporation for U.S. federal income tax purposes.

" Tax Benefit Payment " is defined in Section 3.1(b) of this Agreement.

" Tax Benefit Schedule " is defined in Section 2.3(a) of this Agreement.

" Tax Return " means any return, declaration, report or similar statement required to be filed with respect to Taxes (including any attached schedules), including, without limitation, any information return, claim for refund, amended return and declaration of estimated Tax.

" Taxable Year " means a taxable year of Holdings as defined in Section 441(b) of the Code or comparable section of state or local Tax law, as applicable (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is made), ending on or after the closing date of the IPO.

" Taxes " means any and all U.S. federal, state and local, or foreign income taxes, or other taxes, assessments, or similar charges of any kind that are based on or measured with respect to net income or profits, and any interest related thereto.

" Taxing Authority " shall mean any national, federal, state, county, municipal, or local government, or any subdivision, agency, commission or authority thereof, or any quasi-governmental body, or any other authority of any kind, exercising regulatory or other authority in relation to Tax matters.

" Termination Objection Notice " is defined in Section 4.2 of this Agreement.

" Treasury Regulations " means the final, temporary, and (to the extent they can be relied upon) proposed regulations under the Code, as promulgated from time to time (including corresponding provisions and succeeding provisions) as in effect for the relevant taxable period.

" True-Up " is defined in Section 3.4 of this Agreement.

" Units " means either Preferred Units or Common Units, or both, as applicable.

" U.S. " is defined in the recitals to this Agreement.

" Valuation Assumptions " shall mean, as of an Early Termination Effective Date, the assumptions that: (1) in each Taxable Year ending on or after such Early Termination Effective Date, Holdings will have taxable income sufficient to fully use the deductions arising from the Basis Adjustments and the Imputed Interest during such Taxable Year or future Taxable Years (including, for the avoidance of doubt, Basis Adjustments and Imputed Interest that would result from future Tax Benefit Payments that would be paid in accordance with the Valuation Assumptions) in which such deductions would become available; (2) the U.S. federal income tax rates and state income tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other law as in effect on the Early Termination Effective Date; (3) any loss carryovers generated by any Basis Adjustment or Imputed Interest and available as of the date of the Early Termination Schedule will be used by Holdings on a pro rata basis from the date of the Early Termination Schedule through the scheduled expiration date of such loss carryovers; (4) any non-amortizable assets (other than Subsidiary Stock) will be disposed of on the fifteenth anniversary of the applicable Basis Adjustment; provided that , in the event of a Change of Control, such non-amortizable assets shall be deemed disposed of at the time of sale of the relevant asset (if earlier than such fifteenth anniversary); (5) any Subsidiary Stock will be deemed never to be disposed of; (6) if, on the Early Termination Effective Date, RIHI has Common Units that have not been Sold, then each such Common Units shall be deemed to be Sold for the Market Value of the Class A Shares on the Early Termination Effective Date, and RIHI shall be deemed to receive the amount of cash RIHI would have been entitled to pursuant to Section 4.3(a) of the RIHI TRA had such Common Units actually been Sold on the Early Termination Effective Date; and (7) any payment obligations pursuant to this Agreement will be satisfied on the date that any Tax Return to which such payment obligation relates is required to be filed excluding any extensions.

" WP " is defined in the preamble to this Agreement.

" WP Follow-On Common Unit Redemption " is defined in the recitals to this Agreement.

" WP Initial Common Unit Redemption " is defined in the recitals to this Agreement.

" WP IPO-Related Sale " is defined in Section 2.1(a) of this Agreement.

" WP Preferred Unit Liquidation " is defined in the recitals to this Agreement.

ARTICLE II

DETERMINATION OF REALIZED TAX BENEFIT

Section 2.1 Tax Characterization of Transactions; Basis Adjustments . For purposes of determining the Tax liability of each of the relevant Parties and the amount of any Realized Tax Benefits or Realized Tax Detriments under this Agreement, the Parties agree as follows:

(a) WP IPO-Related Sale. Holdings and WP will each treat Holdings' purchase of newly issued Common Units from RMCO, followed by (i) the WP Preferred Unit Liquidation, (ii) the WP Initial Common Unit Redemption, and (iii) to the extent that the Over-Allotment Option is exercised and WP's membership interest in RMCO is not otherwise completely redeemed in the WP Initial Common Unit Redemption, the WP Follow-On Common Unit Redemption (collectively, the "WP IPO-Related Sale"), as Holdings' direct purchase of Preferred Units and Common Units from WP pursuant to Section 707(a)(2)(B) of the Code that will give rise to Basis Adjustments. For purposes of the WP Preferred Unit Liquidation and the WP Initial Common Unit Redemption, Holdings and WP shall treat the gain recognized by WP and the Basis Adjustments obtained by Holdings as occurring as of the date hereof. For purposes of the WP Follow-On Common Unit Redemption (to the extent that it actually occurs), Holdings and WP shall treat the gain recognized by WP and the Basis Adjustments obtained by Holdings as occurring as of the date on which the WP Follow-On Common Unit Redemption occurs (which may be as of the date hereof or as of some other date up to 30 calendar days following the date hereof, depending upon whether and when the underwriters exercise the Over-Allotment Option). The aggregate sales proceeds that will be treated as received by WP from Holdings in connection with the WP IPO-Related Sale shall equal the portion of the Remaining Net IPO Proceeds received by WP from RMCO in connection with the WP Preferred Unit Liquidation and the WP Initial Common Unit Redemption, and the portion of the Net Over-Allotment Proceeds received by WP from RMCO in connection with the WP Follow-On Common Unit Redemption (to the extent that it actually occurs), and such sales proceeds shall be allocated based on the number of Preferred Units or Common Units treated as sold by WP to Holdings in each such transaction. Subject only to any principles contained in IRS Revenue Ruling 84-53 that might otherwise require a different result, the aggregate amount of gain recognized by WP in connection with the WP IPO-Related Sale shall be determined by allocating an equal portion of WP's aggregate adjusted tax basis held in its Preferred Units and Common Units to each Preferred Unit and Common Unit treated as sold by WP to Holdings in the WP Preferred Unit Liquidation, the WP Initial Common Unit Redemption, and the WP Follow-On Redemption (to the extent that it actually occurs). In connection with the WP IPO-Related Sale, unless WP affirmatively elects out of the installment method under Section 453 of the Code by delivering written notice to Holdings by no later than January 31st, 2014, WP and Holdings will not take into account the fair market value of any payments to be made under this Agreement in determining the gain recognized by WP in respect of the WP IPO-Related Sale or in determining Holdings' related Basis Adjustments.

(b) Pre-IPO Asset Acquisitions. In the case of the WP IPO-Related Sale, Holdings and WP will treat Holdings' effective acquisition of a share of any Pre-Existing Tax Basis with respect to any Pre-Existing Asset as giving rise to a Basis Adjustment, to the extent that Holdings' acquisition of such Pre-Existing Tax Basis has not already otherwise effectively been accounted for as part of a Basis Adjustment made pursuant to Section 2.1(a). For the avoidance of doubt, the HBN/Tails Contribution shall not give rise to a Basis

Adjustment because the HBN/Tails Contribution will not result in Holdings' acquisition of a share of any Pre-Existing Tax Basis in connection with an actual or deemed acquisition by Holdings of Common Units from WP. Furthermore, and again for the avoidance of doubt, Holdings' acquired share of Pre-Existing Tax Basis with respect to any Pre-Existing Asset in connection with the WP IPO-Related Sale shall equal an amount that is proportionate to the ratio that (x) the total number of Preferred Units and Common Units exchanged by WP in the relevant transaction bears to (y) the total number of Preferred Units and Common Units outstanding immediately prior to such transaction, subject to any required adjustments under Section 704(c) of the Code or other applicable Code provisions. For purposes of calculating Holdings' actual Tax liability under this Agreement, the amount of any items of amortization or deduction attributable to any Basis Adjustment that Holdings receives pursuant to this Section 2.1(b) in respect of any acquired share of Pre-Existing Tax Basis shall be determined using RMCO's applicable recovery period for each relevant Pre-Existing Tax Asset.

(c) Payments Under Agreement. The Parties agree that (i) all Tax Benefit Payments made by Holdings to WP under this Agreement and attributable to the Basis Adjustments (excluding amounts accounted for as Imputed Interest and any Actual Interest Amounts) will be treated as subsequent upward purchase price adjustments that give rise to further Basis Adjustments with respect to Reference Assets for Holdings in the year of payment and (ii) as a result, such additional Basis Adjustments will be incorporated into the relevant calculations under this Agreement for the year of payment and for future years, as appropriate. Any Tax Benefit Payments will be reported by WP using the installment method under Section 453 of the Code (to the extent applicable, and taking into account the rules under Section 453A of the Code), unless WP decides in connection with a WP IPO-Related Sale to affirmatively elect out of the installment method and to treat the fair market value of its rights to receive such Tax Benefit Payments as received on the relevant date on which such WP IPO-Related Sale occurs (the " Redemption Date "). For purposes of this Agreement, WP shall notify Holdings of any decision to affirmatively elect out of the installment method by delivering written notice to Holdings within the time period set forth in the last sentence of Section 2.1(a). For the avoidance of doubt, any Tax benefit attributable to any deduction taken by Holdings with respect to Imputed Interest or Actual Interest Amounts payable by Holdings under this Agreement shall be accounted for in connection with calculating the Realized Tax Benefits or Realized Tax Detriments under this Agreement. Notwithstanding anything herein to the contrary, unless (i) the Parties agree otherwise in writing upon the request of WP or (ii) WP provides timely written notice to Holdings that it will elect out of the installment method under Section 453, in no event shall the gross Tax Benefit Payments paid in respect of the WP IPO-Related Sale exceed 75% of the amount of the initial consideration received by WP in connection with such WP IPO-Related Sale (which, for the avoidance of doubt, shall include the amount of any cash received, and exclude the fair market value of any Tax Benefit Payments).

(d) RMCO Section 754 Election. In its capacity as the sole managing member of RMCO, Holdings will ensure that, on and after the date hereof, and continuing throughout the term of this Agreement, RMCO and each of its direct and indirect subsidiaries that is treated as a partnership for U.S. federal income tax purposes will have in effect an election under Section 754 of the Code (and under any similar provisions of applicable state or local law).

Section 2.2 Basis Schedules . Following the end of the Taxable year in which the WP IPO-Related Sale occurs, Holdings shall use commercially reasonable efforts to deliver to WP as promptly as practicable (but in any event no later than ninety (90) calendar days after the filing of the U.S. federal income tax return of Holdings for such Taxable year) a schedule (the " Basis Schedule ") that shows, in reasonable detail as necessary in order to understand the calculations performed under this Agreement: (i) the Non-Adjusted Tax Basis of the Reference Assets as of each applicable Sale Date; (ii) the Basis Adjustments with respect to the Reference Assets as a result of the relevant Sales effected in such Taxable Year, calculated (a) in the aggregate (including Sales attributable to both RIHI and WP), and (b) solely with respect to Sales by WP; (iii) the period (or periods)

over which the Reference Assets are amortizable and/or depreciable; and (iv) the period (or periods) over which each Basis Adjustment is amortizable and/or depreciable.

Section 2.3 Tax Benefit Schedules .

(a) Tax Benefit Schedule. Within ninety (90) calendar days after the filing of the U.S. federal income Tax Return of Holdings for any Taxable Year in which there is a Realized Tax Benefit or Realized Tax Detriment, Holdings shall provide to WP a schedule showing, in reasonable detail, the calculation of the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year (a " Tax Benefit Schedule "). The Tax Benefit Schedule will become final and binding on the Parties pursuant to the procedures set forth in Section 2.4(a), and may be amended by the Parties pursuant to the procedures set forth in Section 2.4(b).

(b) Applicable Principles. Subject to the provisions of this Agreement, the Realized Tax Benefit or Realized Tax Detriment for each Taxable Year is intended to measure the decrease or increase in the actual liability of Holdings for Covered Taxes for such Taxable Year attributable to the Basis Adjustments, Imputed Interest, and Actual Interest Amounts, as determined using a "with and without" methodology. Carryovers or carrybacks of any Tax item attributable to any Basis Adjustment, Imputed Interest, or Actual Interest Amounts shall be considered to be subject to the rules of the Code and the Treasury Regulations or the appropriate provisions of U.S. state tax law, as applicable, governing the use, limitation and expiration of carryovers or carrybacks of the relevant type. If a carryover or carryback of any Tax item includes a portion that is attributable to a Basis Adjustment, Imputed Interest, or Actual Interest Amounts (a " TRA Portion ") and another portion that is not (a " Non-TRA Portion "), such portions shall be considered to be used in accordance with the "with and without" methodology so that: (i) the amount of any Non-TRA Portion is deemed utilized first, followed by the amount of any TRA Portion (with the TRA Portion being applied on a proportionate basis consistent with the provisions of Section 3.3(a)); and (ii) in the case of a carryback of a Non-TRA Portion, such carryback shall not affect the original "with and without" calculation made in the prior Taxable Year (which, for the avoidance of doubt, may result in RIHI and/or WP retaining the amount of a prior Tax Benefit Payment that was made in respect of a prior Taxable Year as originally calculated pursuant to the terms of this Agreement, even though the Hypothetical Tax Liability of Holdings on a purely "without" basis might be less as compared with the original calculation if the Non-TRA portion was otherwise applied to and allowed to affect the original "with and without" calculation made in such prior Taxable Year).

Section 2.4 Procedures; Amendments .

(a) Procedures. Each time Holdings delivers an applicable Schedule to WP under this Agreement, including any Amended Schedule delivered pursuant to Section 2.4(b), but excluding any Early Termination Schedule or amended Early Termination Schedule delivered pursuant to the procedures set forth in Section 4.2, Holdings shall also: (x) deliver supporting schedules and work papers, as determined by Holdings or as reasonably requested by WP, that provide a reasonable level of detail regarding the data and calculations that were relevant for purposes of preparing the Schedule; (y) deliver an Advisory Firm Letter supporting such Schedule; and (z) allow WP and its advisors to have reasonable access to the appropriate representatives, as determined by Holdings or as reasonably requested by WP, at Holdings and the Advisory Firm in connection with a review of such Schedule. Without limiting the generality of the preceding sentence, Holdings shall ensure that any Tax Benefit Schedule that is delivered to WP, along with any supporting schedules and work papers, provides a reasonably detailed presentation of the calculation of the actual liability of Holdings for Covered Taxes (the "with" calculation) and the Hypothetical Tax Liability of Holdings (the "without" calculation), and identifies any material assumptions or operating procedures or principles that were used for purposes of such calculations. An applicable Schedule or amendment thereto shall become final and binding on the Parties thirty (30) calendar days from the date on which WP first received the applicable Schedule or amendment thereto unless:

(i) WP within thirty (30) calendar days after receiving the applicable Schedule or amendment thereto, provides Holdings with (A) written notice of a material objection to such Schedule that is made in good faith and that sets forth in reasonable detail WP's material objection (an " Objection Notice ") and (B) a letter from an Advisory Firm (that is different from the Advisory Firm that was used by Holdings to prepare the Schedule at issue) in support of such Objection Notice; or

(ii) WP provides a written waiver of its right to deliver an Objection Notice within the time period described in clause (i) above, in which case such Schedule or amendment thereto becomes binding on the date the waiver is received by Holdings.

In the event that WP timely delivers an Objection Notice pursuant to clause (i) above, and if the Parties, for any reason, are unable to successfully resolve the issues raised in the Objection Notice within thirty (30) calendar days after receipt by Holdings of the Objection Notice, Holdings and WP shall employ the reconciliation procedures as described in Section 7.9 of this Agreement (the " Reconciliation Procedures "). For the avoidance of doubt, and notwithstanding anything to the contrary herein, the expense of preparing and obtaining the letter from an Advisory Firm referenced in clause (i) above shall be borne solely by WP and Holdings shall have no liability with respect to such letter or any of the expenses associated with its preparation and delivery.

(b) Amended Schedule . The applicable Schedule for any Taxable Year may be amended from time to time by Holdings: (i) in connection with a Determination affecting such Schedule; (ii) to correct inaccuracies in the Schedule identified as a result of the receipt of additional factual information relating to a Taxable Year after the date the Schedule was originally provided toWP; (iii) to comply with (A) an Expert's determination under the Reconciliation Procedures applicable to this Agreement or (B) an Expert's determination under the Reconciliation Procedures applicable to the RIHI TRA (as such term is defined in Section 2.4(a) of such RIHI TRA); (iv) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryback or carryforward of a loss or other Tax item to such Taxable Year; (v) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year; or (vi) to adjust a Basis Schedule to take into account any Tax Benefit Payments made pursuant to this Agreement (any such Schedule, an " Amended Schedule ").

ARTICLE III

TAX BENEFIT PAYMENTS

Section 3.1 Timing and Amount of Tax Benefit Payments .

(a) Timing of Payments . Except as provided in Sections 3.4, 3.5, and 3.6, and subject to Sections 3.2 and 3.3, within five (5) Business Days following the date on which each Tax Benefit Schedule that is required to be delivered by Holdings to WP pursuant to Section 2.3(a) of this Agreement becomes final in accordance with Section 2.4 (a) of this Agreement, Holdings shall pay to WP the Tax Benefit Payment as determined pursuant to Section 3.1(b). Each such Tax Benefit Payment shall be made by wire or transfer of immediately available funds to the bank account previously designated by WP or as otherwise agreed by Holdings and WP. For the avoidance of doubt, WP shall not be required under any circumstances to return any portion of any Tax Benefit Payment previously paid by Holdings to WP (including any portion of any Estimated Tax Benefit Payment or any Early Termination Payment).

(b) Amount of Payments . For purposes of this Agreement, a " Tax Benefit Payment " means an amount, not less than zero, equal to the sum of: (i) the Net Tax Benefit that is Attributable to WP (including Imputed Interest calculated in respect of such amount); and (ii) the Actual Interest Amount.

(i) Attributable. A Net Tax Benefit is " Attributable " to WP to the extent that it is derived from any Basis Adjustment, Imputed Interest, or Actual Interest Amount that is attributable to the WP IPO-Related Sale (which, for the avoidance of doubt, is composed of the WP Preferred Unit Liquidation, the WP Initial Common Unit Redemption, and, to the extent applicable, the WP Follow-On Common Unit Redemption).

(ii) Net Tax Benefit. The " Net Tax Benefit " for a Taxable Year equals the amount of the excess, if any, of (x) 85% of the Cumulative Net Realized Tax Benefit as of the end of such Taxable Year over (y) the aggregate amount of all Tax Benefit Payments previously made to WP under this Section 3.1. For the avoidance of doubt, if the Cumulative Net Realized Tax Benefit as of the end of any Taxable Year is less than the aggregate amount of all Tax Benefit Payments Previously made to WP, WP shall not be required to return any portion of any Tax Benefit Payment previously made by Holdings to WP.

(iii) Cumulative Net Realized Tax Benefit. The " Cumulative Net Realized Tax Benefit " for a Taxable Year equals the cumulative amount of Realized Tax Benefits for all Taxable Years of Holdings, up to and including such Taxable Year, net of the cumulative amount of Realized Tax Detriments for the same period. The Realized Tax Benefit and Realized Tax Detriment for each Taxable Year shall be determined based on the most recent Tax Benefit Schedule or Amended Schedule, if any, in existence at the time of such determination.

(iv) Realized Tax Benefit. The " Realized Tax Benefit " for a Taxable Year equals the excess, if any, of the Hypothetical Tax Liability over the actual liability of Holdings for Covered Taxes. If all or a portion of the actual liability for such Covered Taxes for the Taxable Year arises as a result of an audit by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination.

(v) Realized Tax Detriment. The " Realized Tax Detriment " for a Taxable Year equals the excess, if any, of the actual liability of Holdings for Covered Taxes over the Hypothetical Tax Liability for such Taxable Year. If all or a portion of the actual liability for such Covered Taxes for the Taxable Year arises as a result of an audit by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination.

(vi) Imputed Interest. The principles of Sections 1272, 1274, or 483 of the Code, as applicable, and the principles of any similar provision of state and local law, will apply to cause a portion of any Net Tax Benefit payable by Holdings to WP under this Agreement to be treated as imputed interest (" Imputed Interest "). For the avoidance of doubt, the amount of Imputed Interest as determined with respect to any Net Tax Benefit payable by Holdings to WP shall be excluded from the Hypothetical Tax Liability of Holdings for purposes of calculating Realized Tax Benefits and Realized Tax Detriments pursuant to this Agreement.

(vii) Actual Interest Amount. The " Actual Interest Amount " calculated in respect of the Net Tax Benefit for a Taxable Year will equal the amount of any Extension Rate Interest. For the avoidance of doubt, any Actual Interest Amount as determined with respect to any Net Tax Benefit payable by Holdings to WP shall be excluded from the Hypothetical Tax Liability of Holdings for purposes of calculating Realized Tax Benefits and Realized Tax Detriments pursuant to this Agreement.

(viii) Extension Rate Interest. Subject to Section 3.4, the amount of " Extension Rate Interest " calculated in respect of the Net Tax Benefit (including previously accrued Imputed Interest) for a Taxable Year will equal interest calculated at the Agreed Rate from the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for such Taxable Year until the date on which

Holdings makes a timely Tax Benefit Payment to WP on or before the Final Payment Date as determined pursuant to Section 3.1(a).

(ix) Default Rate Interest. In the event that Holdings does not make timely payment of all or any portion of a Tax Benefit Payment to WP on or before the Final Payment Date as determined pursuant to Section 3.1(a), the amount of " Default Rate Interest " calculated in respect of the Net Tax Benefit (including previously accrued Imputed Interest and Extension Rate Interest) for a Taxable Year will equal interest calculated at the Default Rate from the Final Payment Date for a Tax Benefit Payment as determined pursuant to Section 3.1(a) until the date on which Holdings makes such Tax Benefit Payment to WP. For the avoidance of doubt, the amount of any Default Rate Interest as determined with respect to any Net Tax Benefit payable by Holdings to WP shall be included in the Hypothetical Tax Liability of Holdings for purposes of calculating Realized Tax Benefits and Realized Tax Detriments pursuant to this Agreement.

Holdings and WP hereby acknowledge and agree that, as of the date of this Agreement, the aggregate value of the Tax Benefit Payments cannot be reasonably ascertained for U.S. federal income or other applicable Tax purposes.

Section 3.2 No Duplicative Payments . It is intended that the provisions of this Agreement will not result in the duplicative payment of any amount (including interest) that may be required under this Agreement, and the provisions of this Agreement shall be consistently interpreted and applied in accordance with that intent. With respect to the amount of interest that may be payable under this Agreement, and for the avoidance of doubt, the provisions of Section 3.1(b) are intended to operate so that interest will effectively accrue in respect of the Net Tax Benefit for any Taxable Year: (i) first, at the applicable rate used to determine the amount of Imputed Interest under the Code (from the relevant Sale Date or date on which the relevant Tax Benefit Payment was made until the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for such Taxable Year); (ii) second, at the Agreed Rate in respect of any Extension Rate Interest (from the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for such Taxable Year until the Final Payment Date for a Tax Benefit Payment as determined pursuant to Section 3.1(a)); and (iii) third, at the Default Rate in respect of any Default Rate Interest (from the Final Payment Date for a Tax Benefit Payment as determined pursuant to Section 3.1(a) until the date on which Holdings makes the relevant Tax Benefit Payment to WP). For purposes of this Agreement, and also for the avoidance of doubt, no Tax Benefit Payment shall be calculated or made in respect of any estimated Tax payments, including, without limitation, any estimated U.S. federal income tax payments.

Section 3.3 Pro-Ration of Payments as Between RIHI and WP .

(a) Insufficient Taxable Income. Notwithstanding anything in Section 3.1(b) to the contrary, if the aggregate potential Tax benefit of Holdings' as calculated with respect to the Basis Adjustments, Imputed Interest, and Actual Interest Amounts is limited in a particular Taxable Year because Holdings does not have sufficient actual taxable income, then the available Tax benefit for Holdings shall be allocated among the RIHI TRA and the WP TRA in proportion to the respective Tax Benefit Payment (as defined in Section 3.1(b) of each of the RIHI TRA and the WP TRA) that would have been payable if Holdings had in fact had sufficient taxable income so that there had been no such limitation. As an illustration of the intended operation of this Section 3.3(a), if Holdings had $200 of aggregate potential Tax benefits with respect to the Basis Adjustments, Imputed Interest, and Actual Interest Amounts in a particular Taxable Year (with $50 of such Tax benefits being attributable to the RIHI TRA and $150 of such Tax benefits being attributable to the WP TRA), such that RIHI would have potentially been entitled to a Tax Benefit Payment of $42.50 and WP would have been entitled to a Tax Benefit Payment of $127.50 if Holdings had $200 of taxable income, and if at the same time Holdings only had $100 of actual taxable income in such Taxable Year, then $25 of the aggregate $100 actual Tax benefit for

Holdings for such Taxable Year would be allocated to the RIHI TRA and $75 of the aggregate $100 actual Tax benefit for Holdings would be allocated to the WP TRA, such that RIHI would receive a Tax Benefit Payment of $21.25 and WP would receive a Tax Benefit Payment of $63.75.

(b) Late Payments. If for any reason Holdings is not able to timely and fully satisfy its payment obligations under both the RIHI TRA and the WP TRA in respect of a particular Taxable Year, then Default Rate Interest will begin to accrue pursuant to Section 5.2 and Holdings and WP agree that (i) Holdings shall pay the same proportion of each Tax Benefit Payment (as defined in Section 3.1(b) of each of the RIHI TRA and the WP TRA) due in respect of such Taxable Year, without favoring one obligation over the other, and (ii) no Tax Benefit Payment shall be made in respect of any Taxable Year until all Tax Benefit Payments in respect of prior Taxable Years have been made in full.

Section 3.4 Optional Estimated Payment Procedure. As long as Holdings is current in respect of its payment obligations owed under each of the RIHI TRA and the WP TRA and there are no delinquent Tax Benefit Payments outstanding in respect of prior Taxable Years, Holdings may, at any time on or after the due date (without extensions) for filing the U.S. federal income Tax Return of Holdings for a Taxable Year and at Holdings' option, make one or more estimated payments to WP in respect of any anticipated amounts to be owed with respect to a Taxable Year to WP pursuant to Section 3.1 of this Agreement (any such estimated payments referred to as an " Estimated Tax Benefit Payment "); provided , that any Estimated Tax Benefit Payment made to WP pursuant to this Section 3.4 is matched by a proportionately equal Estimated Tax Benefit Payment to RIHI under Section 3.4 of the RIHI TRA. Any Estimated Tax Benefit Payment made under this Section 3.4 shall be paid by Holdings to WP and applied against the final amount of any expected Tax Benefit Payment to be made pursuant to Section 3.1. The payment of an Estimated Tax Benefit Payment by Holdings to WP pursuant to this Section 3.4 shall also terminate the obligation of Holdings to make payment of any Extension Rate Interest that might have otherwise been owed with respect to the proportionate amount of the Tax Benefit Payment that is being paid off in advance of the applicable Tax Benefit Schedule being finalized pursuant to Section 2.4. Upon the making of any Estimated Tax Benefit Payment pursuant to this Section 3.4, the amount of such Estimated Tax Benefit Payment shall first be applied to any estimated Extension Rate Interest, then to Imputed Interest, and then applied to the remaining residual amount of the Tax Benefit Payment to be made pursuant to Section 3.1. In determining the final amount of any Tax Benefit Payment to be made pursuant to Section 3.1, and for purposes of finalizing the Tax Benefit Schedule pursuant to Section 2.4, the amount of any Estimated Tax Benefit Payments that may have been made with respect to the Taxable Year shall be increased, if the finally determined Tax Benefit Payment for a Taxable Year exceeds the Estimated Tax Benefit Payments made for such Taxable Year, with such increase being paid by Holdings to WP along with an appropriate amount of Extension Rate Interest in respect of such increase (a " True-Up "). If the Estimated Tax Benefit Payment for a Taxable Year exceeds the finally determined Tax Benefit Payment for such Taxable Year, such excess, along with an appropriate amount of Extension Rate Interest in respect of such excess (being charged by Holdings to WP), shall be applied to reduce the amount of any subsequent future Tax Benefit Payments (including Estimated Tax Benefit Payments, if any) to be paid by Holdings to WP. As of the date on which any Estimated Tax Benefit Payments are made, and as of the date on which any True-Up is made, all such payments shall be made in the same manner and subject to the same terms and conditions as otherwise contemplated by Section 3.1 and all other applicable terms of this Agreement. For the avoidance of doubt, as is the case with Tax Benefit Payments made by Holdings to WP pursuant to Section 3.1, the amount of any Estimated Tax Benefit Payments made pursuant to this Section 3.4 shall also be treated, in part, as subsequent upward purchase price adjustments that give rise to Basis Adjustments in the Taxable Year of payment and as of the date on which such payments are made (to the extent of the estimated Net Tax Benefit associated with such Estimated Tax Benefit Payment, less any Imputed Interest, and exclusive of any Extension Rate Interest).

Section 3.5 Suspension of Payments.

(a) Receipt of Change Notice. If any Party, or any Affiliate or Subsidiary of any Party, receives a 30-day letter, a final audit report, a statutory notice of deficiency, or similar written notice from any Taxing Authority relating to the amount of the Net Tax Benefit calculated for purposes of this Agreement, or relating to any other material Tax matter that is relevant to the terms of this Agreement and the calculation of the Tax Benefit Payments that may be payable by Holdings to WP (a " Change Notice "), prompt written notification and a copy of the relevant Change Notice shall be delivered by the Party, or its Affiliate or Subsidiary, that received such Change Notice to the other Party to this Agreement.

(b) Receipt of Reserve Notice. Prior to the delivery of any Tax Benefit Schedule or other Schedule by Holdings to WP pursuant to Section 2.4, the auditors for Holdings shall consult with the management of Holdings and, if necessary, the Advisory Firm or other legal or accounting advisors to Holdings regarding the substantive Tax issues and related conclusions that underlie the calculations related to the determination of the Tax Benefit Payments required under this Agreement. If, following such consultation, the auditors for Holdings reasonably determine that a Tax reserve or contingent liability must be established by Holdings or RMCO for financial accounting purposes (as determined in accordance with GAAP) in relation to any past or future Tax position that affects the amount of any past or future Tax Benefit Payments that have been made or that may be made under this Agreement, then the management of Holdings shall notify the Audit Committee of such determination (a " Reserve Notice ").

(c) Suspension of Payments. From and after the date on which a Change Notice or a Reserve Notice is received, any Tax Benefit Payments required to be made under this Agreement will, to the extent determined reasonably necessary by the Audit Committee after considering the potential Tax implications of the Change Notice or the Reserve Notice, be paid by Holdings to a national bank mutually agreeable to the Parties to act as escrow agent to hold such funds in escrow pursuant to an escrow agreement until a Determination is received (in the case of a Change Notice) or the relevant reserve is released or contingent liability is eliminated (in the case of a Reserve Notice). For purposes of the preceding sentence, and in particular for purposes of the Audit Committee's determination of the amount to be placed in escrow pending a Determination (in the case of a Change Notice) or the release of a reserve or the elimination of a contingent liability (in the Case of a Reserve Notice), the Audit Committee: (i) will suspend all future Tax Benefit Payments required under this Agreement until the amount of such suspended Tax Benefit Payments at least equals 85% of the amount of the asserted deficiency in Tax owed (in the case of a Change Notice) or 85% of the amount of the reserve or contingent liability (in the case of a Reserve Notice); and (ii) upon the suspension of Tax Benefit Payments in the minimum amount contemplated by the preceding clause (i), may continue to suspend all or a portion of any future Tax Benefit Payments required under this Agreement.

(d) Release of Escrowed Funds. As of the date on which a reserve is released or contingent liability is eliminated (in the case of a Reserve Notice), and provided that no Change Notice has previously been issued and is still outstanding in relation to the same Tax position that was the subject of the Reserve Notice, the relevant escrowed funds (along with any net interest earned on such funds, and less the out-of-pocket expenses incurred by Holdings or RMCO in administering the escrow) shall be distributed to WP. If a Determination is received (in the case of a Change Notice), and if such Determination results in no adjustment in any Tax Benefit Payments under this Agreement, and provided that no Reserve Notice has previously been issued and is still outstanding in relation to the same Tax position that was the subject of the Change Notice, then the relevant escrowed funds (along with any net interest earned on such funds, and less the out-of-pocket expenses incurred by Holdings or RMCO in administering the escrow) shall be distributed to WP. If a Determination is received (in the case of a Change Notice), and if such Determination results in an adjustment in any Tax Benefit Payments under this Agreement, and provided that no Reserve Notice has previously been issued and is still outstanding in relation to the same Tax position that was the subject of the Change Notice, then the relevant

escrowed funds (along with any net interest earned on such funds) shall be distributed as follows: (i) first, to Holdings or RMCO in an amount equal to the out-of-pocket expenses incurred by Holdings or RMCO in administering the escrow and in contesting the Determination; and (ii) second, to the relevant Parties (which, for the avoidance of doubt and depending on the nature of the adjustments, may include Holdings, RMCO, or WP, or some combination thereof) in accordance with the relevant Amended Schedule prepared pursuant to Section 2.4 of this Agreement.

Section 3.6 Payments Upon a Change of Control. Upon a Change of Control, all Tax Benefit Payments shall be calculated (i) by using Valuation Assumptions (3), (4) and (5), substituting in each case the terms "the closing date of a Change of Control" for an "Early Termination Effective Date" and (ii) assuming that in each Taxable Year ending on or after the closing date of such Change of Control, Holdings' Taxable income (prior to the application of deductions arising from the Basis Adjustments, Imputed Interest, and Actual Interest Amounts) will equal the greater of (A) the actual Taxable income (prior to the application of deductions arising from the Basis Adjustments, Imputed Interest, and Actual Interest Amounts) for such Taxable Year and (B) the product of (x) four and (y) the highest taxable income (calculated without taking into account extraordinary items of income or deduction and prior to the application of deductions arising from the Basis Adjustments, Imputed Interest, and Actual Interest Amounts) in any of the four fiscal quarters ended prior to the closing date of such Change of Control. The amount determined pursuant to clause (B) of the preceding sentence shall be increased by 10% (compounded annually) for each Taxable Year beginning with the second Taxable Year following the closing date of the Change of Control and shall be adjusted on a daily pro rata basis for any short Taxable Year following the Change of Control.

ARTICLE IV

TERMINATION

Section 4.1 Early Termination of Agreement; Breach of Agreement.

(a) Early Termination Right. With the written approval of a majority of the Independent Directors, Holdings may completely terminate this Agreement, as and to the extent provided herein, with respect to all amounts payable to WP by paying to WP the Early Termination Payment; provided , that any Early Termination Payment made to WP pursuant to this Section 4.1(a) is matched by an Early Termination Payment to RIHI under Section 4.1(a) of the RIHI TRA and in complete termination of the RIHI TRA, and provided, further, that Holdings may withdraw any notice to execute its termination rights under this Section 4.1(a) prior to the time at which any Early Termination Payment has been paid. Upon Holdings' payment of the Early Termination Payment, Holdings shall not have any further payment obligations under this Agreement, other than with respect to any: (i) prior Tax Benefit Payments that are due and payable under this Agreement but that still remain unpaid as of the date of the Early Termination Notice; and (ii) current Tax Benefit Payment due for the Taxable Year ending with or including the date of the Early Termination Notice (except to the extent that the amount described in clause (ii) is included in the calculation of the Early Termination Payment).

(b) Acceleration Upon Breach of Agreement. In the event that Holdings materially breaches any of its material obligations under this Agreement, whether as a result of failure to make any payment when due, failure to honor any other material obligation required hereunder, or by operation of law as a result of the rejection of this Agreement in a case commenced under the Bankruptcy Code or otherwise, then all obligations hereunder shall be automatically accelerated and become immediately due and payable, and such obligations shall be calculated as if an Early Termination Notice had been delivered on the date of such breach and shall include, but not be limited to: (i) the Early Termination Payment calculated as if an Early Termination Notice had been delivered on the date of such breach; (ii) any prior Tax Benefit Payments that are due and payable under this Agreement but that still remain unpaid as of the date of such breach; and (iii) any current Tax Benefit

Payment due for the Taxable Year ending with or including the date of such breach. Notwithstanding the foregoing, in the event that Holdings breaches this Agreement and such breach is not a material breach of a material obligation, WP shall still be entitled to enforce all of its rights otherwise available under this Agreement, including potentially seeking an acceleration of amounts payable under this Agreement. For purposes of this Section 4.1(b), and subject to the following sentence, the Parties agree that the failure to make any payment due pursuant to this Agreement within six (6) months of the relevant Final Payment Date shall be deemed to be a material breach of a material obligation under this Agreement for all purposes of this Agreement, and that it will not be considered to be a material breach of a material obligation under this Agreement to make a payment due pursuant to this Agreement within six (6) months of the relevant Final Payment Date. Notwithstanding anything in this Agreement to the contrary, it shall not be a material breach of a material obligation of this Agreement if Holdings fails to make any Tax Benefit Payment within six (6) months of the relevant Final Payment Date to the extent that Holdings has insufficient funds, or cannot take commercially reasonable actions to obtain sufficient funds, to make such payment; provided that the interest provisions of Section 5.2 shall apply to such late payment (unless Holdings does not have sufficient funds to make such payment as a result of limitations imposed by any Senior Obligations, in which case Section 5.2 shall apply, but the Default Rate shall be replaced by the Extension Rate).

Section 4.2 Early Termination Notice . If Holdings chooses to exercise its right of early termination under Section 4.1 above, Holdings shall deliver to WP a notice of Holdings' decision to exercise such right (an " Early Termination Notice ") and a schedule (the " Early Termination Schedule ") showing in reasonable detail the calculation of the Early Termination Payment. Holdings shall also (x) deliver supporting schedules and work papers, as determined by Holdings or as reasonably requested by WP, that provide a reasonable level of detail regarding the data and calculations that were relevant for purposes of preparing the Early Termination Schedule; (y) deliver an Advisory Firm Letter supporting such Early Termination Schedule; and (z) allow WP and its advisors to have reasonable access to the appropriate representatives, as determined by Holdings or as reasonably requested by WP, at Holdings and the Advisory Firm in connection with a review of such Early Termination Schedule. The Early Termination Schedule shall become final and binding on each Party thirty (30) calendar days from the first date on which WP received such Early Termination Schedule unless:

(i) WP within thirty (30) calendar days after receiving the Early Termination Schedule, provides Holdings with (A) notice of a material objection to such Early Termination Schedule made in good faith and setting forth in reasonable detail WP's material objection (a " Termination Objection Notice ") and (B) a letter from an Advisory Firm (that is different from the Advisory Firm that was used by Holdings to prepare the Early Termination Schedule) in support of such Termination Objection Notice; or

(ii) WP provides a written waiver of such right of a Termination Objection Notice within the period described in clause (i) above, in which case such Early Termination Schedule becomes binding on the date the waiver is received by Holdings.

In the event that WP timely delivers a Termination Objection Notice pursuant to clause (i) above, and if the Parties, for any reason, are unable to successfully resolve the issues raised in the Termination Objection Notice within thirty (30) calendar days after receipt by Holdings of the Termination Objection Notice, Holdings and WP shall employ the Reconciliation Procedures. For the avoidance of doubt, and notwithstanding anything to the contrary herein, the expense of preparing and obtaining the letter from an Advisory Firm referenced in clause (i) above shall be borne solely by WP and Holdings shall have no liability with respect to such letter or any of the expenses associated with its preparation and delivery. The date on which the Early Termination Schedule becomes final in accordance with this Section 4.2 shall be the " Early Termination Reference Date ."

Section 4.3 Payment Upon Early Termination .

(a) Timing of Payment. Within five (5) Business Days after the later of either the (i) Early Termination Reference Date or (ii) if Holdings is concurrently exercising early termination rights under the RIHI TRA, the Early Termination Reference Date pursuant to the RIHI TRA, Holdings shall pay to WP an amount equal to the Early Termination Payment. Such payment shall be made by Holdings by wire or transfer of immediately available funds to a bank account or accounts designated by WP or as otherwise agreed by Holdings and WP.

(b) Amount of Payment. The " Early Termination Payment " payable pursuant to Section 4.3(a) shall equal the present value, discounted at the Early Termination Rate as determined as of the Early Termination Reference Date, of all Tax Benefit Payments that would be required to be paid by Holdings to WP beginning from the Early Termination Effective Date and using the Valuation Assumptions.

ARTICLE V

SUBORDINATION AND LATE PAYMENTS

Section 5.1 Subordination . Notwithstanding any other provision of this Agreement to the contrary, any Tax Benefit Payment or Early Termination Payment required to be made by Holdings to WP under this Agreement shall rank subordinate and junior in right of payment to any principal, interest, or other amounts due and payable in respect of any obligations owed in respect of secured indebtedness for borrowed money of Holdings and its Subsidiaries (" Senior Obligations ") and shall rank *pari passu* with all current or future unsecured obligations of Holdings that are not Senior Obligations.

Section 5.2 Late Payments by Holdings . The amount of all or any portion of any Tax Benefit Payment or Early Termination Payment not made to WP when due under the terms of this Agreement shall be payable together with any interest thereon, computed at the Default Rate and commencing from the Final Payment Date on which such Tax Benefit Payment or Early Termination Payment was first due and payable.

ARTICLE VI

TAX MATTERS; CONSISTENCY; COOPERATION

Section 6.1 Participation in Holdings' and RMCO's Tax Matters . Except as otherwise provided herein, Holdings shall have full responsibility for, and sole discretion over, all Tax matters concerning Holdings and RMCO, including without limitation the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to Taxes. Notwithstanding the foregoing, Holdings shall notify WP of, and keep them reasonably informed with respect to, the portion of any Tax audit of Holdings or RMCO, or any of RMCO's Subsidiaries, the outcome of which is reasonably expected to materially affect the Tax Benefit Payments payable to WP under this Agreement, and WP shall have the right to participate in and to monitor at its own expense (but, for the avoidance of doubt, not to control) any such portion of any such Tax audit.

Section 6.2 Consistency . All calculations and determinations made hereunder, including, without limitation, any Basis Adjustments, the Schedules, and the determination of any Realized Tax Benefits or Realized Tax Detriments, shall be made in accordance with the elections, methodologies or positions taken by Holdings and RMCO on their respective Tax Returns. WP shall prepare its Tax Returns in a manner that is consistent with the terms of this Agreement, and any related calculations or determinations that are made hereunder, including, without limitation, the terms of Section 2.1 of this Agreement and the Schedules provided to WP under this Agreement. In the event that an Advisory Firm is replaced with another Advisory Firm acceptable to the Audit Committee, such replacement Advisory Firm shall perform its services under this

Agreement using procedures and methodologies consistent with the previous Advisory Firm, unless otherwise required by law or unless Holdings and WP agree to the use of other procedures and methodologies.

Section 6.3 Cooperation. WP shall (a) furnish to Holdings in a timely manner such information, documents and other materials as Holdings may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make itself available to Holdings and its representatives to provide explanations of documents and materials and such other information as Holdings or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c) reasonably cooperate in connection with any such matter, and Holdings shall reimburse WP for any reasonable third-Party costs and expenses incurred pursuant to this Section 6.3.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Notices. All notices, requests, consents and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by certified or registered mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be as specified in a notice given in accordance with this Section 7.1). All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the Party to receive such notice:

If to Holdings, to:

RE/MAX Holdings, Inc.
5075 S. Syracuse Street
Denver, CO 80237
Attention: David Metzger, Chief Financial Officer
Geoffrey Lewis, General Counsel
Telephone: (303) 770-5531
Facsimile: (303) 796-3599

with a copy (which shall not constitute notice to Holdings) to:

Morrison & Foerster LLP
370 Seventeenth Street
Suite 5200
Denver, CO 80202
Telephone: 303-592-1500
Facsimile: 303-592-1510
Attention: David B. Strong

If to WP:

Weston Presidio
One Ferry Building, Suite 350
San Francisco, CA 94111
Telephone: 415-398-0770
Facsimile: 415 773-7844
Attention: Therese Mrozek

with a copy (which shall not constitute notice to WP) to:

Kirkland & Ellis LLP
555 California Street
San Francisco, California 94104
Telephone: 415-439-1410
Facsimile: 415-439-1310
Attention: David A. Breach

Any Party may change its address or fax number by giving the other Party written notice of its new address or fax number in the manner set forth above.

Section 7.2 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

Section 7.3 Entire Agreement; No Third Party Beneficiaries. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof. Except with respect to the provisions of Section 3.3, 3.4, and 4.1(a), which the Parties agree will make RIHI a third-Party beneficiary of this Agreement solely to the extent that such provisions require that proportionate payments be made by Holdings to each of RIHI and WP, this Agreement shall be binding upon and inure solely to the benefit of each Party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware, without regard to the conflicts of laws principles thereof that would mandate the application of the laws of another jurisdiction.

Section 7.5 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 7.6 Assignment; Amendments; Successors; Waiver .

(a) Assignment. WP may not directly or indirectly assign, sell, pledge, or otherwise alienate or transfer any interest in this Agreement, including the right to receive any Tax Benefit Payments under this Agreement, to any Person without the prior written consent of Holdings, which consent shall not be unreasonably withheld, conditioned, or delayed, and without such Person executing and delivering a joinder to this Agreement, in form and substance substantially similar to Exhibit A to this Agreement, agreeing to succeed to the applicable portion of WP's interest in this Agreement and to become a Party for all purposes of this Agreement (the " Joinder Requirement "); provided, however , that WP shall have the right to assign or transfer any interest in this Agreement without the prior written consent of Holdings to a WP Affiliated Transferee or a WP Special Purpose Vehicle provided that such transferee has satisfied the Joinder Requirement. A "WP Affiliated Transferee" means (i) any trust, the beneficiaries of which include only the general and limited partners of WP, or (ii) any corporation, limited liability company or partnership, the stockholders, members or general or limited partners of which include only WP and/or an Affiliate of WP and/or the general and limited partners of WP so long as in either case of (i) or (ii) such entity designates or appoints a manager or agent or other governing body and such manager or agent or other governing body has authority to act on behalf of the entity with regard to the rights currently held by WP under this Agreement; provided, however , that if such manager or agent is other than a WP Affiliate, Holdings shall have the right to consent to the appointment of such manager or agent, which consent shall not be unreasonably withheld or delayed. A "WP Special Purpose Vehicle" shall mean a special purpose entity formed to serve as a paying and disbursement agent for the general and limited partners of WP based upon their ownership interests in WP so long as such entity designates or appoints a manager or agent or other governing body and such manager or agent or other governing body has authority to act on behalf of the entity with regard to the rights currently held by WP under this Agreement; provided, however , that if such manager or agent is other than a WP Affiliate, Holdings shall have the right to consent to the appointment of such manager or agent, which consent shall not be unreasonably withheld or delayed.

(b) Amendments. No provision of this Agreement may be amended unless such amendment is approved in writing by Holdings and WP, and solely with respect to the provisions of Sections 3.3, 3.4, and 4.1(a), to the extent that such provisions require that proportionate payments be made by Holdings to each of RIHI and WP, is approved in writing by Holdings, RIHI and WP ; provided , that, amendment of the definition of Change of Control will also require the written approval of a majority of the Independent Directors. Notwithstanding the foregoing, in the case of any amendment to the RIHI TRA, the corresponding provision of this Agreement shall be automatically amended in a corresponding manner, unless WP specifies otherwise in writing after being notified in a timely manner by Holdings of such amendment. No provision of this Agreement may be waived unless such waiver is in writing and signed by the Party against whom the waiver is to be effective.

(c) Successors. All of the terms and provisions of this Agreement shall be binding upon, and shall inure to the benefit of and be enforceable by, the Parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. Holdings shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of Holdings, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that Holdings would be required to perform if no such succession had taken place.

(d) Waiver. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or any other covenant, duty, agreement, or condition.

Section 7.7 Titles and Subtitles . The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

Section 7.8 Resolution of Disputes .

(a) Except for Reconciliation Disputes subject to Section 7.9, any and all disputes which cannot be settled amicably, including any ancillary claims of any Party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) (each a "Dispute") shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration by a panel of three arbitrators, of which each Party shall designate one arbitrator in accordance with the "screened" appointment procedure provided in Resolution Rule 5.4. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of the arbitration shall be Denver, Colorado.

(b) Notwithstanding the provisions of paragraph (a), any Party to this Agreement may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling another Party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Party (i) expressly consents to the application of paragraph (c) of this Section 7.8 to any such action or proceeding, and (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate. For the avoidance of doubt, this Section 7.8 shall not apply to Reconciliation Disputes to be settled in accordance with the procedures set forth in Section 7.9.

(c) Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware or, if such Court declines jurisdiction, the courts of the State of Delaware sitting in Wilmington, Delaware, and of the U.S. District Court for the District of Delaware sitting in Wilmington, Delaware, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment, and each of the Parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Delaware State court or, to the fullest extent permitted by applicable law, in such U.S. District Court. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(d) Each Party irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 7.8(c). Each Party irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(e) Each Party irrevocably consents to service of process by means of notice in the manner provided for in Section 7.1. Nothing in this Agreement shall affect the right of any Party to serve process in any other manner permitted by law.

(f) Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of Section 7.9, or a Dispute within the meaning of Section 7.8, shall be decided and resolved as a Dispute subject to the procedures set forth in Section 7.8.

Section 7.9 Reconciliation . In the event that Holdings and WP are unable to resolve a disagreement with respect to a Schedule (other than an Early Termination Schedule) prepared in accordance with the procedures set forth in Section 2.4, or with respect to an Early Termination Schedule prepared in accordance with the procedures set forth in Section 4.2, within the relevant time period designated in this Agreement (a " Reconciliation Dispute "), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert (the " Expert ") in the particular area of disagreement mutually acceptable to both Parties. The Expert shall be a partner or principal in a nationally recognized accounting firm, and unless Holdings and WP agree otherwise, the Expert shall not, and the firm that employs the Expert shall not, have any material relationship with Holdings or WP or other actual or potential conflict of interest. If the Parties are unable to agree on an Expert within fifteen (15) calendar days of receipt by the respondent(s) of written notice of a Reconciliation Dispute, the selection of an Expert shall be treated as a Dispute subject to Section 7.8 and an arbitration panel shall pick an Expert from a nationally recognized accounting firm that does not have any material relationship with Holdings or WP or other actual or potential conflict of interest. The Expert shall resolve any matter relating to the Basis Schedule or an amendment thereto or the Early Termination Schedule or an amendment thereto within thirty (30) calendar days and shall resolve any matter relating to a Tax Benefit Schedule or an amendment thereto within fifteen (15) calendar days or as soon thereafter as is reasonably practicable, in each case after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement would be due (in the absence of such disagreement) or any Tax Return reflecting the subject of a disagreement is due, the undisputed amount shall be paid on the date prescribed by this Agreement and such Tax Return may be filed as prepared by Holdings, subject to adjustment or amendment upon resolution. The costs and expenses relating to the engagement of such Expert or amending any Tax Return shall be borne by Holdings except as provided in the next sentence. Holdings and WP shall bear their own costs and expenses of such proceeding, unless (i) the Expert adopts WP's position, in which case Holdings shall reimburse WP for any reasonable out-of-pocket costs and expenses in such proceeding, or (ii) the Expert adopts Holdings' position, in which case WP shall reimburse Holdings for any reasonable out-of-pocket costs and expenses in such proceeding. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.9 shall be binding on Holdings and WP and may be entered and enforced in any court having jurisdiction.

Section 7.10 Withholding . Holdings shall be entitled to deduct and withhold from any payment that is payable to WP pursuant to this Agreement such amounts as Holdings is required to deduct and withhold with respect to the making of such payment under the Code or any provision of state, local or foreign Tax law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by Holdings, such withheld amounts shall be treated for all purposes of this Agreement as having been paid by Holdings to WP.

Section 7.11 Admission of Holdings Into a Consolidated Group; Transfers of Corporate Assets .

(a) Subject to Section 3.6, or other applicable provisions of this Agreement, if Holdings is or becomes a member of an affiliated or consolidated group of corporations that files a consolidated income Tax Return pursuant to Section 1501 or other applicable Sections of the Code governing affiliated or consolidated groups, or any corresponding provisions of state or local law, then: (i) the provisions of this Agreement shall be applied with respect to the group as a whole; and (ii) Tax Benefit Payments (including payments following a Change of Control, as determined subject to the provisions of Section 3.6), Early Termination Payments, and other applicable items hereunder shall be computed with reference to the consolidated Taxable income of the group as a whole. For the avoidance of doubt, and with respect to clause (ii) of the preceding sentence, if Holdings is not a member of an affiliated or consolidated group of corporations that files a consolidated income Tax Return prior to a Change of Control, but becomes a member of such a group immediately following such Change of Control, then the actual Taxable income of Holdings for purposes of clause (ii)(A) of the first sentence of Section 3.6 shall be calculated based on the consolidated Taxable income of the group as a whole, while the Taxable income of Holdings for purposes of clause (ii)(B) of the first sentence of Section 3.6 shall be

calculated based on the Taxable income of Holdings on a stand-alone basis as determined prior to the closing date of such Change of Control.

(b) If any entity that is obligated to make a Tax Benefit Payment or Early Termination Payment hereunder transfers one or more assets to a corporation (or a Person classified as a corporation for U.S. income tax purposes) with which such entity does not file a consolidated tax return pursuant to Section 1501 of the Code, such entity, for purposes of calculating the amount of any Tax Benefit Payment (including payments following a Change of Control) or Early Termination Payment due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such contribution. The consideration deemed to be received by such entity shall be equal to the fair market value of the contributed asset. For purposes of this Section 7.11, a transfer of a partnership interest shall be treated as a transfer of the transferring partner's share of each of the assets and liabilities of that partnership.

Section 7.12 Confidentiality. WP and its assignees acknowledge and agree that the information of Holdings is confidential and, except in the course of performing any duties as necessary for Holdings and its Affiliates, as required by law or legal process or to enforce the terms of this Agreement, such Person shall keep and retain in the strictest confidence and not disclose to any Person any confidential matters, acquired pursuant to this Agreement, of Holdings and its Affiliates and successors, learned by WP heretofore or hereafter. This Section 7.12 shall not apply to (i) any information that has been made publicly available by Holdings or any of its Affiliates, becomes public knowledge (except as a result of an act of WP in violation of this Agreement) or is generally known to the business community and (ii) the disclosure of information to the extent necessary for WP to prepare and file its Tax Returns, to respond to any inquiries regarding the same from any Taxing Authority or to prosecute or defend any action, proceeding or audit by any Taxing Authority with respect to such Tax Returns. Notwithstanding anything to the contrary herein, WP and each of their assignees (and each employee, representative or other agent of WP or their assignees, as applicable) may disclose at their discretion to any and all Persons, without limitation of any kind, the Tax treatment and Tax structure of Holdings, WP, and any of their transactions, and all materials of any kind (including Tax opinions or other Tax analyses) that are provided to WP relating to such Tax treatment and Tax structure. If WP or an assignee commits a breach, or threatens to commit a breach, of any of the provisions of this Section 7.12, Holdings shall have the right and remedy to have the provisions of this Section 7.12 specifically enforced by injunctive relief or otherwise by any court of competent jurisdiction without the need to post any bond or other security, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Holdings or any of its Subsidiaries and that money damages alone shall not provide an adequate remedy to such Persons. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available at law or in equity.

Section 7.13 Change in Law. Notwithstanding anything herein to the contrary, if, in connection with an actual or proposed change in law, WP reasonably believes that the existence of this Agreement could cause income (other than income arising from receipt of a payment under this Agreement) recognized by WP (or direct or indirect equity holders in WP) in connection with any Sale to be treated as ordinary income rather than capital gain (or otherwise taxed at ordinary income rates) for U.S. federal income tax purposes or would have other material adverse Tax consequences to WP or any direct or indirect owner of WP, then at the election of WP and to the extent specified by WP, this Agreement shall cease to have further effect, or may be amended by in a manner determined by WP, provided that such amendment shall not result in an increase in any payments owed by Holdings under this Agreement at any time as compared to the amounts and times of payments that would have been due in the absence of such amendment.

Section 7.14 Independent Nature of Rights and Obligations. The rights and obligations of WP hereunder are several and not joint with the rights and obligations of any other Person (including, for the avoidance of doubt, any rights and obligations that RIHI may have as a third-party beneficiary under Sections

3.3, 3.4, and 4.1(a)). WP shall not be responsible in any way for the performance of the obligations of any other Person hereunder, nor shall WP have the right to enforce the rights or obligations of any other Person hereunder. The obligations of WP hereunder are solely for the benefit of, and shall be enforceable solely by, Holdings. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by WP pursuant hereto or thereto, shall be deemed to constitute RIHI and WP acting as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that RIHI and WP are in any way acting in concert or as a group with respect to such rights or obligations or the transactions contemplated hereby, and Holdings acknowledges that RIHI and WP are not acting in concert or as a group and will not assert any such claim with respect to such rights or obligations or the transactions contemplated hereby.

[*Signature Page Follows This Page*]

IN WITNESS WHEREOF, Holdings and WP have duly executed this Agreement as of the date first written above.

RE/MAX Holdings, Inc.

By: /s/ Geoffrey D. Lewis
Name: Geoffrey D. Lewis
Title: Executive Vice President and Chief Legal and Compliance Officer

Weston Presidio V, L.P.

By: Weston Presidio Management V, LLC

By: /s/ Therese Mrozek
Name: Therese Mrozek
Title: Chief Operating Officer

Exhibit A
Joinder

This JOINDER (" Joinder ") to the Tax Receivable Agreement (as defined below) is dated as of , and is entered into by and among RE/MAX Holdings, Inc., a Delaware corporation (" Holdings "), Weston Presidio V, L.P., a Delaware limited partnership (" Transferor "), and (" Permitted Transferee ").

WHEREAS, on , the Permitted Transferee acquired (the " Acquisition ") the right to receive any and all payments that may become due and payable under the Tax Receivable Agreement (as defined below) with respect to Preferred Units and Common Units that were previously sold by Transferor as described and set forth in greater detail in Annex A to this Joinder (the " Interest "); and

WHEREAS, Transferor, in connection with the Acquisition, has required Permitted Transferee to execute and deliver this Joinder pursuant to Section 7.6 of the Tax Receivable Agreement, dated as of , between Holdings and Transferor (the " Tax Receivable Agreement ");

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Permitted Transferee hereby agrees as follows:

Section 1.1. Definitions . To the extent capitalized words used in this Joinder are not defined in this Joinder, such words shall have the respective meanings set forth in the Tax Receivable Agreement.

Section 1.2. Joinder . Permitted Transferee hereby acknowledges and agrees to become a Party to the Tax Receivable Agreement for all purposes of the Tax Receivable Agreement and to the extent of the Interest.

Section 1.3. Notice . Any notice, request, consent, claim, demand, approval, waiver or other communication hereunder to Permitted Transferee shall be delivered or sent to Permitted Transferee at the address set forth on the signature page hereto in accordance with Section 7.1 of the Tax Receivable Agreement.

Section 1.4. Governing Law . This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed, interpreted and enforced in accordance with, the laws of the State of Delaware (without regard to any choice of law rules thereunder).

IN WITNESS WHEREOF, this Joinder has been duly executed and delivered by Permitted Transferee as of the date first above written.

[PERMITTED TRANSFEREE]

By: _____

Name:
Title:
Address for notices:

Annex A

Common Unit Holders and Transfers

Exhibit B

List of Pre-IPO Asset Acquisitions

Region	Seller	Purchaser	Acquisition Date
Pennsylvania-Delaware	RE/MAX of Southeastern PA, Inc. (Stefonick)	RE/MAX International, Inc.	9/28/99
Western Canada	RAMMUR (Bob Cherot)	RE/MAX International, Inc.	6/25/98
Pacific Northwest	Pacific Northwest Real Estate Franchisors; Edward & Mary Johnson	RE/MAX International, Inc.	7/27/93
Mountain States	RE/MAX of Colorado, Inc.	RE/MAX, LLC	12/31/11
Florida	RE/MAX of Florida, Inc.; Don & Glenda Hachenberge	RE/MAX Florida, LLC	7/1/07
Florida Ad Fund	Promotional Services Group; Don & Glenda Hachenberger	RE/MAX Florida Ad Fund, Inc.	11/14/07
Carolinas	RE/MAX Carolinas, Inc.; Don & Glenda Hachenberger; Bob McWaters	RE/MAX Carolinas, LLC	7/1/07
California & Hawaii	RE/MAX of California & Hawaii, Inc.; Sidney Syvertson; Steve Haselton	RE/MAX International, Inc. (RE/MAX California and Hawaii, LLC on April agreements)	2/22/07
California & Hawaii Ad Fund	C&H Productions, Inc.	RE/MAX California and Hawaii Ad Fund, Inc.	May 2007
Caribbean	RE/MAX International, Inc.	Franchising Magicians, Inc. (W. Patrick Murphy)	
			7/3/99
Texas	RE/MAX/KEMCO Partnership, LP dba RE/MAX of Texas; R.Filip; C.El-Mousse; B.Parker; P.Leung	RE/MAX, LLC	12/31/12
Texas Ad Fund	RE/MAX Institutional Promotional Fund, Inc.; RE/MAX/KEMCO Partnership, LP; R.Filip	RE/MAX Texas Ad Fund, Inc.	12/31/12
Mexico	RE/MAX International, Inc.	INMOMAX de Mexico, S. de R.L. de C.V.	2/14/01
	INMOMAX de Mexico, S. de R.L de C.V.	Resultados Máximos Complementarios	
"Maximum Title"	Maximum Title Group, Inc.	LOE, Inc.	9/3/03
	Maximum Title Group of Frederick, Inc.	LOE, Inc.	9/3/03
	Maximum Title of Virginia, Inc.	LOE, Inc.	9/3/03
	Title America Services, Inc. and Clair F. Simpson	LOE, Inc.	9/3/03
"RE/MAX 100"	Howard Realty/Forty West Realty	RB2B, Inc.	9/3/03
	S&A Realty	RB2B, Inc.	9/3/03
	Wyvill/Bannister	RB2B, Inc.	9/3/03
	Wyvill/Above the Crowd	RB2B, Inc.	9/3/03
	Rosemarie Crowley	RB2B, Inc.	5/1/06
Equity Group	Ideal Properties (Gervais)	RE/MAX International, Inc.	4/1/07
	Navigators Mortgage (Gervais)	RE/MAX International, Inc.	4/1/07
N/A	RIHI, Inc.	Weston Presidio V, L.P.	4/16/10
N/A	Canyon Creek Realty dba RE/MAX Northwest Realtors	STC, LLC	6/1/07

**Exhibit B subject to change pending completion of final initial Basis Schedule pursuant to Section 2.2 of the Agreement*

Exhibit 31.1

Certification

I, Dave L. Liniger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of RE/MAX Holdings, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and
    d. Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2013

/s/ Dave L. Liniger

Dave L. Liniger
Chairman and Co-Founder
(Principle Executive Officer)

Exhibit 31.2

Certification

I, Margaret M. Kelly, certify that:

1. I have reviewed this quarterly report on Form 10-Q of RE/MAX Holdings, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

    d. Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2013

/s/ Margaret M. Kelly
Margaret M. Kelly
Chief Executive Officer and Director
(Principle Executive Officer)

Exhibit 31.3

Certification

I, David M. Metzger certify that:

1. I have reviewed this quarterly report on Form 10-Q of RE/MAX Holdings, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and

    d. Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2013

/s/ David M. Metzger

David M. Metzger
Chief Operating Officer and
Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

Exhibit 32.1

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of RE/MAX Holdings, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended September 30, 2013 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of September 30, 2013 and December 31, 2012, and for the nine months ended September 30, 2013 and 2012.

Date: November 14, 2013

/s/ Dave L. Liniger
Dave L. Liniger
Chairman and Co-Founder
(Principle Executive Officer)

Dated: November 14, 2013

/s/ Margaret M. Kelly
Margaret M. Kelly
Chief Executive Officer and Director
(Principle Executive Officer)

Dated: November 14, 2013

/s/ David M. Metzger
David M. Metzger
Chief Operating Officer and
Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.