

REFINITIV

DELTA REPORT

10-Q

EXPI - EXP WORLD HOLDINGS, INC.
10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	2522
CHANGES	136
DELETIONS	1730
ADDITIONS	656

UNITED 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 **March 31, 2024** **June 30, 2024**

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: **001-38493**



Graphic

EXP WORLD HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

98-0681092

(I.R.S. Employer
Identification No.)

2219 Rimland Drive, Suite 301, Bellingham, WA

(Address of principal executive offices)

98226

(Zip Code)

(360) 685-4206

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

(Title of Each Class)

Common Stock, \$0.00001 par value per share

(Trading Symbol)

EXPI

(Name of each exchange on which registered)

The Nasdaq Stock Market

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 every Interactive Data File required to be submitted 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 such files).

Yes ☒ No ☐

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

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Yes ☐ No ☒

There were 154,846,563 153,733,373 shares of the registrant's Common Stock, \$0.00001 par value, outstanding as of March 31, 2024 June 30, 2024.

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CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains statements that are not historical fact and may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not based on historical facts but rather represent current expectations and assumptions of future events. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Many of these risks and other factors are beyond our ability to control or predict. Forward-looking statements can be identified by words such as “believe,” “expect,” “anticipate,” “estimate,” “project,” “plan,” “should,” “intend,” “may,” “will,” “could,” “can,” “would,” “potential,” “seek,” “goal” and similar expressions of the future. These risks and uncertainties, as well as other risks and uncertainties that could cause our actual results to differ significantly from management’s expectations, including, but not limited to:

- the impact of macroeconomic conditions on the strength of the residential real estate market;
- the impact of monetary policies of the U.S. federal government and its agencies on our operations;
- the impact of changes in consumer attitudes on home sale transaction volume;
- the impact of excessive or insufficient home inventory supply on home sale transaction value;
- our ability to effectively manage rapid growth in our business;
- our ability to attract and retain additional qualified personnel;
- changes in tax laws and regulations that may have a material adverse effect on our business;
- our ability to protect our intellectual property rights;
- the impact of security breaches, interruptions, delays and failures in our systems and operations on our business;
- financial condition and reputation;
- our ability to predict the demand or growth of our new products and services;
- our ability to maintain our agent growth rate;
- the impact of adverse outcomes in litigation and regulatory actions against us and other companies and agents in our industry on our business; and
- the effect of inflation and rising continuing high interest rates on real estate transaction values and our operating results, profits and cash flows.

Other factors not identified above, including those described under the heading “Risk Factors” in Part I, Item 1A, and elsewhere in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the “2023 Annual Report”), may also cause actual results to differ materially from those described in our forward-looking statements. Most of these factors are difficult to anticipate and are generally beyond our control. You should consider these factors in connection with considering any forward-looking statements that may be made by us.

Forward-looking statements are based on currently available operating, financial and market information and are inherently uncertain. Investors should not place undue reliance on forward-looking statements, which speak only as of the date they are made and are not guarantees of future performance. Actual future results and trends may differ materially from such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future developments or otherwise, except as may be required by law.

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PART 1 – FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS (UNAUDITED)

EXP WORLD HOLDINGS, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (In thousands, except share amounts) (UNAUDITED)

	March 31, 2024	December 31, 2023	June 30, December 2024	31, 2023
ASSETS				
CURRENT ASSETS				

Cash and cash equivalents			\$	
	\$ 109,169	\$ 125,873	108,395	\$ 125,873
Restricted cash	74,735	44,020	85,126	44,020
Accounts receivable, net of allowance for credit losses of \$2,363 and \$2,204, respectively	105,325	85,343		
Accounts receivable, net of allowance for credit losses of \$1,527 and \$2,204, respectively			133,896	85,343
Prepays and other assets	9,517	9,275	7,082	9,275
Current assets of discontinued operations	1,631	1,964	1,068	1,964
TOTAL CURRENT ASSETS	300,377	266,475	335,567	266,475
Property, plant, and equipment, net	12,231	12,967	11,789	12,967
Operating lease right-of-use assets	7	10		
Other noncurrent assets	11,058	7,400	10,815	7,410
Intangible assets, net	6,644	7,012	5,965	7,012
Deferred tax assets	73,955	69,034	66,916	69,253
Goodwill	16,682	16,982	19,673	16,982
Noncurrent assets of discontinued operations	5,795	5,788	6,706	5,569
TOTAL ASSETS			\$	
	\$ 426,749	\$ 385,668	457,431	\$ 385,668
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Accounts payable	\$ 8,986	\$ 8,788	\$ 11,529	\$ 8,788
Customer deposits	75,789	44,550	86,496	44,550
Accrued expenses	102,104	86,483	122,497	86,483
Litigation contingency	16,000	-	16,000	-
Current portion of lease obligation - operating lease	7	10		
Other liabilities			23	10
Current liabilities of discontinued operations	1,406	1,809	560	1,809
TOTAL CURRENT LIABILITIES	204,292	141,640	237,105	141,640
Long-term payable	20	20	-	20
TOTAL LIABILITIES	204,312	141,660	237,105	141,660
EQUITY				
Common Stock, \$0.00001 par value 900,000,000 shares authorized; 186,361,476 issued and 154,846,563 outstanding at March 31, 2024; 183,606,708 issued and 154,669,037 outstanding at December 31, 2023	2	2		
Common Stock, \$0.00001 par value 900,000,000 shares authorized; 189,947,235 issued and 153,733,373 outstanding at June 30, 2024; 183,606,708 issued and 154,669,037 outstanding at December 31, 2023			2	2
Additional paid-in capital	841,576	804,833	883,704	804,833
Treasury stock, at cost: 31,514,913 and 28,937,671 shares held, respectively	(578,591)	(545,559)		
Treasury stock, at cost: 36,213,862 and 28,937,671 shares held, respectively			(626,825)	(545,559)
Accumulated deficit	(39,993)	(16,769)	(35,100)	(16,769)
Accumulated other comprehensive (loss) income	(557)	332	(1,455)	332
Total eXp World Holdings, Inc. stockholders' equity	222,437	242,839	220,326	242,839
Equity attributable to noncontrolling interest	-	1,169	-	1,169
TOTAL EQUITY	222,437	244,008	220,326	244,008
TOTAL LIABILITIES AND EQUITY			\$	
	\$ 426,749	\$ 385,668	457,431	\$ 385,668

The accompanying notes are an integral part of these condensed consolidated financial statements.

EXP WORLD HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands, except share amounts and per share data)
(UNAUDITED)

	Three Months Ended March 31,	
	2024	2023
Revenues	\$ 943,054	\$ 848,453
Operating expenses		
Commissions and other agent-related costs	864,746	776,838
General and administrative expenses	62,582	54,626
Technology and development expenses	14,761	14,060
Sales and marketing expenses	3,139	2,927
Litigation contingency	16,000	-
Total operating expenses	961,228	848,451
Operating (loss) income	(18,174)	2
Other (income) expense		
Other (income) expense, net	(1,188)	(874)
Equity in losses of unconsolidated affiliates	149	342
Total (income) expense, net	(1,039)	(532)
Income (loss) before income tax expense	(17,135)	534
Income tax benefit	(3,305)	(1,458)
Net (loss) income from continuing operations	(13,830)	1,992
Net loss from discontinued operations	(1,809)	(539)
Net (loss) income	(\$ 15,639)	\$ 1,453
(Loss) earnings per share		
Basic, net (loss) income from continuing operations	(\$ 0.09)	\$ 0.01
Basic, net loss from discontinued operations	(\$ 0.01)	(\$ 0.00)
Basic, net (loss) income	(\$ 0.10)	\$ 0.01
Diluted, net (loss) income from continuing operations	(\$ 0.09)	\$ 0.01
Diluted, net loss from discontinued operations	(\$ 0.01)	(\$ 0.00)
Diluted, net (loss) income	(\$ 0.10)	\$ 0.01
Weighted average shares outstanding		
Basic	154,740,334	152,546,766
Diluted	154,740,334	155,668,712
Comprehensive (loss) income:		
Net (loss) income	(\$ 15,639)	\$ 1,453
Other comprehensive (loss) income:		
Foreign currency translation gain (loss), net of tax	(889)	643
Comprehensive (loss) income attributable to eXp World Holdings, Inc.	(\$ 16,528)	\$ 2,096

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues	\$ 1,295,244	\$ 1,231,116	\$ 2,238,298	\$ 2,079,569
Operating expenses				
Commissions and other agent-related costs	1,197,668	1,135,615	2,062,414	1,912,453
General and administrative expenses	61,160	64,917	123,742	119,543

Technology and development expenses	14,848	14,888	29,609	28,948
Sales and marketing expenses	3,031	2,860	6,170	5,787
Litigation contingency	-	-	16,000	-
Total operating expenses	1,276,707	1,218,280	2,237,935	2,066,731
Operating income	18,537	12,836	363	12,838
Other (income) expense				
Other (income) expense, net	(1,749)	(1,294)	(2,937)	(2,168)
Equity in losses of unconsolidated affiliates	374	143	523	485
Total other (income) expense, net	(1,375)	(1,151)	(2,414)	(1,683)
Income before income tax expense	19,912	13,987	2,777	14,521
Income tax expense	8,146	2,632	4,841	1,174
Net income (loss) from continuing operations	11,766	11,355	(2,064)	13,347
Net income (loss) from discontinued operations	617	(1,933)	(1,192)	(2,472)
Net income (loss)	\$ 12,383	\$ 9,422	(\$ 3,256)	\$ 10,875
Earnings (loss) per share				
Basic, net income (loss) from continuing operations	\$ 0.08	\$ 0.07	(\$ 0.01)	\$ 0.09
Basic, net income (loss) from discontinued operations	\$ 0.00	(\$ 0.01)	(\$ 0.01)	(\$ 0.02)
Basic, net income (loss)	\$ 0.08	\$ 0.06	(\$ 0.02)	\$ 0.07
Diluted, net income (loss) from continuing operations	\$ 0.08	\$ 0.07	(\$ 0.01)	\$ 0.09
Diluted, net income (loss) from discontinued operations	\$ 0.00	(\$ 0.01)	(\$ 0.01)	(\$ 0.02)
Diluted, net income (loss)	\$ 0.08	\$ 0.06	(\$ 0.02)	\$ 0.07
Weighted average shares outstanding				
Basic	153,580,879	153,249,120	154,160,607	152,899,883
Diluted	155,984,147	156,693,959	154,160,607	156,119,627
Comprehensive income (loss):				
Net income (loss)	\$ 12,383	\$ 9,422	(\$ 3,256)	\$ 10,875
Other comprehensive income (loss):				
Foreign currency translation gain (loss), net of tax	(898)	64	(1,787)	707
Comprehensive income (loss) attributable to eXp World Holdings, Inc.	\$ 11,485	\$ 9,486	(\$ 5,043)	\$ 11,582

The accompanying notes are an integral part of these condensed consolidated financial statements.

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EXP WORLD HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In thousands)
(UNAUDITED)

	Three Months Ended March 31,	
	2024	2023
Common stock:		
Balance, beginning of period	\$ 2	\$ 2
Balance, end of period	2	2
Treasury stock:		

Balance, beginning of period	(545,559)	(385,010)
Repurchases of common stock	(33,032)	(29,916)
Balance, end of period	(578,591)	(414,926)
Additional paid-in capital:		
Balance, beginning of period	804,833	611,872
Shares issued for stock options exercised	977	307
Agent growth incentive stock compensation	7,908	8,668
Agent equity stock compensation	25,868	26,775
Stock option compensation	1,990	2,761
Balance, end of period	841,576	650,383
Accumulated (deficit) earnings:		
Balance, beginning of period	(16,769)	20,723
Net (loss) income	(15,639)	1,453
Dividends declared and paid (\$0.05 and \$0.045 per share of common stock in Q1 2024 and Q1 2023, respectively)	(7,585)	(6,596)
Balance, end of period	(39,993)	15,580
Accumulated other comprehensive income (loss):		
Balance, beginning of period	332	236
Foreign currency translation gain (loss)	(889)	643
Balance, end of period	(557)	879
Noncontrolling interest:		
Balance, beginning of period	1,169	1,169
Transactions with noncontrolling interests	(1,169)	-
Balance, end of period	(0)	1,169
Total equity	\$ 222,437	\$ 253,087

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Common stock:				
Balance, beginning of period	\$ 2	\$ 2	\$ 2	\$ 2
Balance, end of period	2	2	2	2
Treasury stock:				
Balance, beginning of period	(578,591)	(414,926)	(545,559)	(385,010)
Repurchases of common stock	(48,234)	(48,812)	(81,266)	(78,728)
Balance, end of period	(626,825)	(463,738)	(626,825)	(463,738)
Additional paid-in capital:				
Balance, beginning of period	841,576	650,383	804,833	611,872
Shares issued for stock options exercised	75	946	1,052	1,253
Agent growth incentive stock compensation	9,495	9,236	17,403	17,903
Agent equity stock compensation	30,588	38,876	56,456	65,652
Stock option compensation	1,970	2,365	3,960	5,126
Balance, end of period	883,704	701,806	883,704	701,806
Accumulated (deficit) earnings:				
Balance, beginning of period	(39,993)	15,580	(16,769)	20,723
Net income (loss)	12,383	9,422	(3,256)	10,875
Dividends declared and paid (\$0.05 and \$0.045 per share of common stock in Q2 2024 and Q2 2023, respectively)	(7,490)	(6,864)	(15,075)	(13,460)
Balance, end of period	(35,100)	18,138	(35,100)	18,138
Accumulated other comprehensive income (loss):				
Balance, beginning of period	(557)	879	332	236
Foreign currency translation gain (loss)	(898)	64	(1,787)	707
Balance, end of period	(1,455)	943	(1,455)	943
Noncontrolling interest:				
Balance, beginning of period	-	1,169	1,169	1,169

Transactions with noncontrolling interests	-	-	(1,169)	-
Balance, end of period	-	1,169	-	1,169
Total equity	\$ 220,326	\$ 258,320	\$ 220,326	\$ 258,320

The accompanying notes are an integral part of these condensed consolidated financial statements.

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EXP WORLD HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(UNAUDITED)

	Three Months Ended March 31,	
	2024	2023
OPERATING ACTIVITIES		
Net (loss) income	(\$ 15,639)	\$ 1,453
Reconciliation of net income (loss) to net cash provided by operating activities:		
Depreciation expense	2,059	2,067
Amortization expense - intangible assets	340	512
Allowance for credit losses on receivables/bad debt on receivables	159	(1,790)
Equity in loss of unconsolidated affiliates	149	342
Agent growth incentive stock compensation expense	8,827	9,660
Stock option compensation	1,990	2,761
Agent equity stock compensation expense	25,868	26,775
Deferred income taxes, net	(4,786)	277
Changes in operating assets and liabilities:		
Accounts receivable	(20,141)	(10,808)
Prepays and other assets	(311)	(3,722)
Customer deposits	31,239	17,382
Accounts payable	197	(1,310)
Accrued expenses	14,703	17,200
Long term payable	-	(4,692)
Litigation contingency	16,000	-
Other operating activities	-	37
NET CASH PROVIDED BY OPERATING ACTIVITIES	60,654	56,144
INVESTING ACTIVITIES		
Purchases of property, plant, equipment	(1,323)	(1,432)
Investments in unconsolidated affiliates	(3,807)	(350)
Capitalized software development costs in intangible assets	(115)	-
NET CASH USED IN INVESTING ACTIVITIES	(5,245)	(1,782)
FINANCING ACTIVITIES		
Repurchase of common stock	(33,032)	(29,916)
Proceeds from exercise of options	977	307
Transactions with noncontrolling interests	(1,169)	-
Dividends declared and paid	(7,585)	(6,596)
NET CASH USED IN FINANCING ACTIVITIES	(40,809)	(36,205)
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	(589)	594
Net change in cash, cash equivalents and restricted cash	14,011	18,751

Cash, cash equivalents and restricted cash, beginning balance	169,893	159,383
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, ENDING BALANCE	<u>\$ 183,904</u>	<u>\$ 178,134</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Cash paid for income taxes	\$ 1,109	\$ 1,089
	Six Months Ended June 30,	
	2024	2023
OPERATING ACTIVITIES		
Net income (loss)	(\$ 3,256)	\$ 10,875
Reconciliation of net income (loss) to net cash provided by operating activities:		
Depreciation expense	3,950	4,163
Amortization expense - intangible assets	1,413	1,195
Allowance for credit losses on receivables/bad debt on receivables	(677)	(2,470)
Equity in loss of unconsolidated affiliates	523	485
Agent growth incentive stock compensation expense	18,157	18,148
Stock option compensation	3,975	5,126
Agent equity stock compensation expense	56,456	65,652
Deferred income taxes, net	2,337	3,370
Changes in operating assets and liabilities:		
Accounts receivable	(48,871)	(45,266)
Prepays and other assets	1,841	367
Customer deposits	41,946	50,854
Accounts payable	2,741	(3,069)
Accrued expenses	35,243	49,273
Long term payable	-	(4,692)
Litigation contingency	16,000	-
Other operating activities	23	157
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>131,801</u>	<u>154,168</u>
INVESTING ACTIVITIES		
Purchases of property, plant, equipment	(2,772)	(3,433)
Purchase of business	(3,150)	-
Investments in unconsolidated affiliates	(3,938)	(5,350)
Capitalized software development costs in intangible assets	(509)	(1,179)
NET CASH USED IN INVESTING ACTIVITIES	<u>(10,369)</u>	<u>(9,962)</u>
FINANCING ACTIVITIES		
Repurchase of common stock	(81,266)	(78,728)
Proceeds from exercise of options	1,052	1,253
Transactions with noncontrolling interests	(1,169)	-
Dividends declared and paid	(15,075)	(13,460)
NET CASH USED IN FINANCING ACTIVITIES	<u>(96,458)</u>	<u>(90,935)</u>
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	(1,346)	620
Net change in cash, cash equivalents and restricted cash	<u>23,628</u>	<u>53,891</u>
Cash, cash equivalents and restricted cash, beginning balance	169,893	159,383
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, ENDING BALANCE	<u>\$ 193,521</u>	<u>\$ 213,274</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Cash paid for income taxes	\$ 1,542	\$ 1,833
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Termination of lease obligation - operating lease	-	837
Property, plant and equipment increase due to transfer of right-of-use lease asset	-	1,100

The accompanying notes are an integral part of these condensed consolidated financial statements.

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eXp World Holdings, Inc.

Notes to the Condensed Consolidated Financial Statements
(UNAUDITED)

(Amounts in thousands, except share amounts and per share data or noted otherwise)

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

eXp World Holdings, Inc. ("eXp," or, collectively with its subsidiaries, the "Company," "we," "us," or "our") owns and operates a diversified portfolio of service-based businesses whose operations benefit substantially from utilizing our technology platform. We strategically prioritize our efforts to grow our real estate brokerage by strengthening our agent value proposition, developing immersive and cloud-based technology to enable our model and providing affiliate and media services supporting those efforts. **Our real estate brokerage is now one of the largest and fastest-growing real estate brokerage companies in the United States and Canada and is rapidly expanding internationally.**

The accompanying interim unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements.

These interim financial statements should be read in conjunction with the audited consolidated financial statements and related notes contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on February 22, 2024 ("2023 Annual Report").

In our opinion, the accompanying interim unaudited condensed consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation. Operating results for the three **and six months ended March 31, 2024 June 30, 2024** are not necessarily indicative of the results that may be expected for the year ending December 31, 2024.

In the first quarter of 2024, the Company determined that there has been a significant change to the Virbela business model. As our customers evolve post-COVID, including a return-to-work-offices, and in light of ongoing internal and external demand for web-accessible platforms and artificial intelligence solutions, we have experienced a decline in demand for our application-based platform, Virbela, and a rising interest in our web-accessible platform, **Virbela Frame®**. Accordingly, the Company has begun the process of winding down the Virbela business, which includes closing out current contracts, and reducing its external customers and internal employee support. Further, the technology is being replaced with Virbela Frame® technology that will be primarily utilized internally within the Company. The Company expects the process to wind down the Virbela business to be completed by the fourth quarter of 2024. As a result of this change, the Company **has** determined that **winding down of the Virbela business** qualifies for reporting as **discontinued operations and will be reported as discontinued operations in the Company's quarterly report on Form 10-Q for the period ended March 31, 2024 (the "Form 10-Q").** In accordance with Accounting Standards Codification ("ASC") 205 – Presentation of Financial Statements, we will present the assets and liabilities of Virbela within discontinued operations in the Company's condensed consolidated balance sheet and **Virbela's results of operations will be included in discontinued operations in the Company's condensed consolidated statements of comprehensive income (loss).**

Prior period financial statement information has been reclassified to reflect Virbela as discontinued operations. For more information See Note 3 –Discontinued Operations.

In prior years, Virbela represented an operating and reporting segment under ASC 280. **Going forward,** As a result of the Company's decision to wind down the **Virbela business in the first quarter of 2024, the Company determined that the remaining operations of Virbela will do** not meet the operating or reporting segment **criteria, criteria;** therefore, any operating results related to Virbela and **Frame®Virbela Frame®** technologies **will be are** included in the Other Affiliated Services **segment.** Prior year segment **and financial statement beginning in the first quarter of 2024.** All prior period segment disclosure information has been reclassified to **reflect Virbela as discontinued operations.** **conform to the current reporting structure in this Form 10-Q.**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying interim unaudited condensed consolidated financial statements include the accounts of eXp and its consolidated subsidiaries, including those entities in which we have a variable interest of which we are the primary beneficiary. If the Company has a variable interest in an entity but it is not the primary beneficiary of the entity or **exercises does not exercise** control over the operations and has less than 50% ownership, it will use the equity method or the cost method of accounting for investments. Entities in which the Company has less than a 20% investment and where the Company does not exercise significant influence are accounted for under the cost method. Intercompany transactions and balances are eliminated upon consolidation.

Variable interest entities and noncontrolling interests

A company is deemed to be the primary beneficiary of a variable interest entity ("VIE") and must consolidate the entity if the company has both: (i) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance, and (ii) the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

Joint ventures

A joint venture is a contractual arrangement whereby the Company and other parties undertake an economic activity through a jointly controlled entity. Joint control exists when strategic, financial, and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. Joint ventures are accounted for using the equity method and are recognized initially at cost. Joint ventures are typically included in the Other Affiliated Services unless the joint venture specifically supports one of the reportable segments.

The Company has several joint venture investments. The operations of these joint ventures are not material to the Company's financial position or results of operations.

Use of **Estimates **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 financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to allowance for credit losses, legal contingencies, income taxes, revenue recognition, stock-based compensation, goodwill, and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Reclassifications

When necessary, the Company will reclassify certain amounts in prior-period financial statements to conform to the current period's presentation. Prior year segment and financial statement information has been reclassified to reflect Virbela as discontinued operations.

Restricted cash

Restricted cash consists of cash held in escrow by the Company on behalf of real estate buyers. The Company recognizes a corresponding customer deposit liability until the funds are released. Once the cash transfers from escrow, the Company reduces the respective customers' deposit liability.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that sum to the total of the same amounts shown on the condensed consolidated statements of cash flows.

				Cash and		
	Cash and cash equivalents	Restricted cash	Total	cash equivalents	Restricted cash	Total
Balance, March 31, 2023	\$ 122,769	\$ 55,365	\$ 178,134			
Balance, June 30, 2023				\$	\$	\$
				124,714	88,560	213,274
Balance, December 31, 2023				\$	\$	\$
	\$ 125,873	\$ 44,020	\$ 169,893	125,873	44,020	169,893
Balance, March 31, 2024	\$ 109,169	\$ 74,735	\$ 183,904			
Balance, June 30, 2024				\$	\$	\$
				108,395	85,126	193,521

3.3. DISCONTINUED OPERATIONS

In accordance with ASC 205-20, the results of the Virbela business are presented as discontinued operations in the condensed consolidated statements of comprehensive income and, as such, have been excluded from continuing operations. Further, the Company reclassified the assets and liabilities of the Virbela segment as assets and liabilities of discontinued operations in the consolidated condensed balance sheets. The following tables present the information for Virbela's operations for the three and six months ended March 31, 2024 June 30, 2024 and 2023, and the balance sheet information as of March 31, 2024 June 30, 2024 and December 31, 2023 (in thousands).

ASSETS AND LIABILITIES OF DISCONTINUED OPERATIONS (Unaudited)	ASSETS AND LIABILITIES OF DISCONTINUED OPERATIONS (Unaudited)		ASSETS AND LIABILITIES OF (Unau
	March 31, 2024	December 31, 2023	June 30, 2024
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,064	\$ 991	\$ 684
Accounts receivable, net of allowance for credit losses of \$16 and \$99, respectively	310	626	
Accounts receivable, net of allowance for credit losses of \$194 and \$99, respectively			289
Prepays and other assets	257	347	95
TOTAL CURRENT ASSETS	1,631	1,964	
TOTAL CURRENT ASSETS OF DISCONTINUED OPERATIONS			1,068
Property, plant, and equipment, net	9	11	7
Intangible assets, net	3,396	3,469	2,753
Deferred tax assets	2,390	2,308	3,946
TOTAL ASSETS	\$ 7,426	\$ 7,752	
TOTAL ASSETS OF DISCONTINUED OPERATIONS			\$ 7,774
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	\$ 26	\$ 110	\$ 7
Accrued expenses	1,380	1,699	553
TOTAL CURRENT LIABILITIES	1,406	1,809	
TOTAL LIABILITIES	\$ 1,406	\$ 1,809	
TOTAL CURRENT LIABILITIES OF DISCONTINUED OPERATIONS			560
TOTAL LIABILITIES OF DISCONTINUED OPERATIONS			\$ 560

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INCOME STATEMENT OF DISCONTINUED OPERATIONS (Unaudited)				
	Three Months Ended March 31,			
	2024	2023		
Revenues	\$ 649	\$ 2,163		
Operating expenses				
Commissions and other agent-related costs	679	721		
General and administrative expenses	1,765	2,730		
Technology and development expenses	116	351		
Sales and marketing expenses	(3)	36		
Total operating expenses	2,557	3,838		
Operating (loss)	(1,908)	(1,675)		
Other income				
Other income, net	(17)	(6)		
Total other income, net	(17)	(6)		
(Loss) before income tax expense	(1,891)	(1,669)		
Income tax benefit	(82)	(1,130)		
Net loss from discontinued operations	(\$ 1,809)	(\$ 539)		

INCOME STATEMENT OF DISCONTINUED OPERATIONS (Unaudited)				
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues	\$ 4	\$ 1,811	\$ 653	\$ 3,974
Operating expenses				
Cost of revenue	910	796	1,589	1,517
General and administrative expenses	309	2,578	2,074	5,308
Technology and development expenses	99	158	215	509
Sales and marketing expenses	1	18	(2)	54
Total operating expenses	1,319	3,550	3,876	7,388
Operating (loss)	(1,315)	(1,739)	(3,223)	(3,414)
Other income				
Other income, net	(6)	(5)	(23)	(11)
Total other income, net	(6)	(5)	(23)	(11)
(Loss) before income tax expense	(1,309)	(1,734)	(3,200)	(3,403)
Income tax benefit (expense)	1,926	(199)	2,008	931
Net income (loss) from discontinued operations	\$ 617	(\$ 1,933)	(\$ 1,192)	(\$ 2,472)

4. EXPECTED CREDIT LOSSES

The Company is exposed to credit losses primarily through trade and other financing receivables arising from revenue transactions. The Company uses the aging schedule method to estimate current expected credit losses ("CECL") based on days of delinquency, including information about past events and current economic conditions. The Company's accounts receivable is separated into three categories to evaluate allowance under the CECL impairment model. The receivables in each category share similar risk characteristics. The three categories include agent non-commission based fees, agent short-term advances, and commissions receivable for real estate property settlements.

The Company increases the allowance for expected credits losses when the Company determines estimates all or a portion of a receivable is uncollectable. The Company recognizes recoveries as a decrease to the allowance for expected credit losses.

Receivables from real estate property settlements totaled \$100,529 \$128,814 and \$81,004 of which the Company recognized expected credit losses of \$2 \$88 and \$-, respectively as of March 31, 2024 June 30, 2024 and December 31, 2023. As of March 31, 2024 June 30, 2024 and December 31, 2023, agent non-commission based fees receivable and short-term advances totaled \$7,487 \$7,092 and \$7,268, of which the Company recognized expected credit losses of \$2,363 \$1,439 and \$2,204, respectively.

5. PLANT, PROPERTY AND EQUIPMENT, NET

Plant, property and equipment, net consisted of the following:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Computer hardware and software			\$	\$
	\$ 38,372	\$ 37,444	38,830	37,444
Furniture, fixture, and equipment	2,253	2,254	2,221	2,254
Total depreciable property and equipment	40,625	39,698	41,051	39,698
Less: accumulated depreciation	(29,778)	(27,733)	(31,451)	(27,733)
Depreciable property, net	10,847	11,965	9,600	11,965
Discontinued operations	(9)	(11)	(7)	(11)
Assets under development	1,393	1,013	2,196	1,013
Property, plant, and equipment, net	\$ 12,231	\$ 12,967	\$	\$
			11,789	12,967

For the three months ended March 31, 2024 June 30, 2024 and 2023, depreciation expense was \$2,059 \$1,891 and \$2,067, \$2,096, respectively. For the six months ended June 30, 2024 and 2023 depreciation expense was \$3,950 and \$4,163, respectively.

6. GOODWILL AND INTANGIBLE ASSETS

Goodwill was \$16,682 \$19,673 as of March 31, 2024 June 30, 2024 and \$16,982 as of December 31, 2023. During the second quarter of 2024, the Company acquired a small real estate business, resulting in recording goodwill of \$3,150. As of March 31, 2024 June 30, 2024, the Company recorded cumulative translation adjustment of (\$300) 459 related to Canadian goodwill. Additionally, if current assumptions and estimates, including projected revenues and income growth rates, terminal growth rates, competitive and consumer trends, market-based discount rates, and other market factors, are not met, or if valuation factors outside of the Company's control change unfavorably, the estimated fair value of goodwill could be adversely affected, leading to a potential impairment in the future. For the three six months ended March 31, 2024 June 30, 2024, no events occurred that indicated it was more likely than not that goodwill was impaired. The following tables present definite-lived intangible assets as of March 31, 2024 June 30, 2024 and December 31, 2023, in thousands:

	March 31, 2024			June 30, 2024		
	Gross	Accumulated	Net Carrying	Gross	Accumulated	Net Carrying
	Amount	Amortization	Amount	Amount	Amortization	Amount
Trade name	\$ 2,661	(\$ 1,071)	\$ 1,590	\$ 2,655	(\$ 1,393)	\$ 1,262
Existing technology	3,254	(1,351)	1,903	3,345	(1,498)	1,847
Non-competition agreements	461	(125)	336	458	(347)	111
Customer relationships	1,284	(675)	609	1,284	(698)	586
Licensing agreement	210	(210)	-	210	(210)	-
Intellectual property	2,836	(630)	2,206	2,836	(677)	2,159
Total intangible assets	\$ 10,706	(\$ 4,062)	\$ 6,644	\$ 10,788	(\$ 4,823)	\$ 5,965

	December 31, 2023		
	Gross	Accumulated	Net Carrying
	Operations	Amortization	Amount
Trade name	\$ 2,672	(\$ 1,030)	\$ 1,642
Existing technology	3,263	(1,122)	2,141
Non-competition agreements	468	(125)	343
Customer relationships	1,285	(652)	633
Licensing agreement	210	(210)	-
Intellectual property	2,836	(583)	2,253
Total intangible assets	\$ 10,734	(\$ 3,722)	\$ 7,012

Definite-lived intangible assets are amortized using the straight-line method over an asset's estimated useful life. Amortization expense for definite-lived intangible assets for the three months ended **March 31, 2024** **June 30, 2024** and 2023 was **\$340** **\$1,073** and **\$512**, **\$683**, respectively. Amortization expense for definite-lived intangible assets for the six months ended **June 30, 2024** ended and 2023 was **\$1,413** and **\$1,195**, respectively.

7. STOCKHOLDERS' EQUITY

The following table represents a share reconciliation of the Company's common stock issued for the periods presented:

	Three Months Ended March 31,		Three Months Ended June 30, Six Months Ended June 30,			
	2024	2023	2024	2023	2024	2023
Common stock:						
Balance, beginning of quarter	183,606,708	171,656,030	186,361,476	174,532,043	183,606,708	171,656,030
Shares issued for stock options exercised	211,158	113,208	14,286	79,599	225,444	192,807
Agent growth incentive stock compensation	353,688	656,436	678,825	730,003	1,032,513	1,386,439
Agent equity stock compensation	2,189,922	2,106,369	2,892,648	2,558,438	5,082,570	4,664,807
Balance, end of quarter	186,361,476	174,532,043	189,947,235	177,900,083	189,947,235	177,900,083

The Company's equity programs described below are administered under the stockholder approved 2015 Equity Incentive **Plan**. **Plan, as amended**. The purpose of the equity plan is to retain the services of valued employees, directors, officers, agents, and consultants and to incentivize such persons to make contributions to the Company and motivate excellent performance.

Agent Equity Program

The Company provides agents and brokers the opportunity to elect to receive 5% of commissions earned from each completed real estate transaction in the form of common stock (the "Agent Equity Program" or "AEP"). If agents and brokers

elect to receive portions of their commissions in common stock, they are entitled to receive the equivalent number of shares of common stock, based on the fixed monetary value of the commission payable. The Company recognizes a 10% discount on these issuances **for the period beginning January 1, 2024 through prior to** February 29, 2024, and a 5% discount on these issuances beginning as of March 1, 2024, as an additional cost of sales charge during the periods presented.

During the three months ended **March 31, 2024** **June 30, 2024** and 2023, the Company issued **2,189,922** **2,892,648** and **2,106,369** **2,558,438** shares of common stock, respectively, to agents and brokers with a value of **\$25,868** **\$30,588** and **\$26,775**, **\$38,876**, respectively, inclusive of discount. During the six months ended **June 30, 2024** and 2023, the Company issued 5,082,570 and 4,664,807 shares of common stock, respectively, to agents and brokers with a value of **\$56,456** and **\$65,652**, respectively, inclusive of discount.

Agent Growth Incentive Program

The Company administers an equity incentive program whereby agents and brokers become eligible to receive awards of the Company's common stock through agent attraction and performance benchmarks (the "Agent Growth Incentive Program" or "AGIP"). The incentive program encourages greater performance and awards agents with common stock based on achievement of performance milestones. Awards typically vest after performance benchmarks are reached and three years of subsequent service is provided to the Company. Share-based performance awards are granted on a fixed-dollar amount of shares based on the achievement of performance metrics. As such, the awards are classified as liabilities until the number of share awards becomes fixed once the performance metric is achieved.

For the three months ended **March 31, 2024** **June 30, 2024** and 2023 the Company's stock compensation expense attributable to the Agent Growth Incentive Program was **\$8,827** **\$9,329** and **\$9,660**, **\$8,488**, respectively, of which the total amount of stock compensation attributable to liability classified awards was **\$650** **\$638** and **\$993**, **\$345**, respectively. For the six months ended **June 30, 2024** and 2023 the Company's stock compensation expense attributable to the Agent Growth Incentive Program was \$18,157 and \$18,148, respectively, of which the total amount of stock compensation attributable to liability classified awards was **\$1,288** and **\$1,338**, respectively.

Agent Thrive Program

Announced in October 2023, the Thrive program provides a stock incentive to the individual teams of leaders of culturally aligned teams that join the Company as part of the program. After affiliating with the Company, the team leader becomes eligible to receive an award of the Company's common stock through team performance benchmarks. Awards typically vest after production benchmarks are reached and three years of subsequent service is provided to the Company. Share-based performance awards are based on a fixed-dollar amount of shares based on the achievement of production metrics. As such, the awards are classified as liabilities until the number of share awards becomes fixed once the production metric is achieved.

The following table illustrates changes in the Company's stock compensation liability for the periods presented:

	Amount
Stock grant liability balance at December 31, 2022	\$ 3,885
Stock grant liability increase year to date	3,832
Stock grants reclassified from liability to equity year to date	(2,717)
Balance, December 31, 2023	\$ 5,000
Stock grant liability increase year to date	650 1,288
Stock grants reclassified from liability to equity year to date	(806)
Balance, March 31, 2024 June 30, 2024	\$ 5,650 5,482

Stock Option Awards

Stock options are granted to directors, officers, certain employees and consultants with an exercise price equal to the fair market value of common stock on the grant date and the stock options expire 10 years from the date of grant. These options typically have time-based restrictions with equal and periodically graded vesting over a three-year period.

During the three months ended **March 31, 2024** **June 30, 2024** and 2023, the Company granted **353,656** **322,082** and **88,553** **1,440,010** stock options, respectively, to employees with an estimated grant date fair value of **\$6.93** **\$6.35** and **\$8.18** **\$8.35** per share, respectively. The fair value was calculated using a Black Scholes-Merton option pricing model. During the six months ended **June 30, 2024** and 2023 the Company granted 675,738 and 1,528,563 stock options, respectively, to employees with an estimated grant date fair

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value of \$6.63 and \$8.34 per share, respectively. The fair value was calculated using a Black Scholes-Merton option pricing model.

Stock Repurchase Plan

In December 2018, the Company's board of directors (the "Board") approved a stock repurchase program authorizing the Company to purchase up to \$25.0 million of its common stock, which was later amended in November 2019 increasing the authorized repurchase amount to \$75.0 million. In December 2020, the Board approved another amendment to the repurchase plan, increasing the total amount authorized to be purchased from \$75.0 million to \$400.0 million. In May 2022,

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the Board approved an increase to the total amount of its buyback program from \$400.0 million to \$500.0 million. In June 2023, the Board approved an increase to the total amount of its buyback program from \$500.0 million to \$1.0 billion. Purchases under the repurchase program may be made in the open market or through a 10b5-1 plan and are expected to comply with Rule 10b-18 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The timing and number of shares repurchased depends upon market conditions. The repurchase program does not require the Company to acquire a specific number of shares. The cost of the shares that are repurchased is funded from cash and cash equivalents on hand.

10b5-1 Repurchase Plan

The Company maintains a stock repurchase program with program changes subject to Board consent. In June 2023, the Board approved increasing the stock repurchase program to \$1.0 billion. From time to time, the Company adopts written trading plans pursuant to Rule 10b5-1 of the Exchange Act to conduct repurchases on the open market.

On January 10, 2022, the Company and Stephens Inc., a financial services firm that acts as an agent authorized to purchase shares on behalf of the Company, entered into a form of Issuer Repurchase Plan ("Issuer Repurchase Plan") which authorized Stephens to repurchase common stock of the Company, which is amended from time to time to adjust the monthly repurchase amount. Most recently, on March 6, 2024 June 19, 2024, the Board approved, and the Company entered into a seventh an eighth amendment to the Issuer Repurchase Plan to increase which provides for the monthly repurchase of up to (i) \$20.0 million \$15.0 million during the calendar month commencing June 1, 2024 through and including June 30, 2024, (ii) \$11.7 million during the calendar months commencing March 1, 2024 July 1, 2024 through and including April 30, 2024 September 30, 2024, and (ii) \$15.0 million (iii) \$8.3 million during the calendar months commencing May 1, 2024 October 1, 2024 through and including December 31, 2024.

For accounting purposes, common stock repurchased under the stock repurchase programs is recorded based upon the settlement date of the applicable trade, trade date. Such repurchased shares are held in treasury and are presented using the cost method. These shares are considered issued but not outstanding.

The following table shows the share changes in treasury stock for the periods presented:

	Three Months Ended March 31,		Three Months Ended June 30,			
					Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Treasury stock:						
Balance, beginning of quarter	28,937,671	18,816,791	31,514,913	21,089,622	28,937,671	18,816,791
Repurchases of common stock	2,577,242	2,272,831	4,698,949	3,222,275	7,276,191	5,495,106
Balance, end of quarter	31,514,913	21,089,622	36,213,862	24,311,897	36,213,862	24,311,897

8. SEGMENT INFORMATION

The reportable segments presented below represent the Company's segments for which separate financial information is available and which is utilized on a regular basis by its chief operating decision maker to assess performance and to allocate resources. In identifying its reportable segments, the Company also

considers the nature of services provided by its segments.

Management evaluates the operating results of each of its reportable segments based upon revenue and Adjusted Segment EBITDA. Adjusted Segment EBITDA is defined by us as a segment's operating profit (loss) from continuing operations plus depreciation and amortization, litigation contingency and stock-based compensation expenses. The Company's presentation of Adjusted Segment EBITDA may not be comparable to similar measures used by other companies. Historically, the Company has reported results for four reportable segments. In the first quarter of 2024, the Company determined that the Virbela segment qualified for reporting as discontinued operations. In prior years, Virbela represented an operating and reporting segment under ASC 280. Going forward, the remaining operations of Virbela will not meet the operating or reporting segment criteria, therefore, any operating results related to Virbela technology will be included in the

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Other Affiliated Services segment. Prior year segment information has been reclassified to remove Virbela from the segment disclosure, in accordance with discontinued operations treatment.

The Company's three reportable segments are as follows:

- North American Realty: includes real estate brokerage operations in the United States and Canada, as well as lead-generation and other real estate support services provided in North America.
- International Realty: includes real estate brokerage operations in all other international locations.
- Other Affiliated Services: includes our SUCCESS® Magazine, Virbela Frame® technology, and other smaller ventures.

The Company also reports corporate expenses, as further detailed below, as "Corporate and other" which include expenses incurred in connection with business development support provided to the agents as well as resources, including administrative, brokerage operations and legal functions.

All segments follow the same basis of presentation and accounting policies as those described throughout the Notes to the Condensed Consolidated Financial Statements included herein. The Company accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current market prices. The following table provides information about the Company's reportable segments and a reconciliation of the total segment Revenues to consolidated Revenues and Adjusted Segment EBITDA to the consolidated operating profit (loss) from continuing operations and Goodwill (in thousands). Financial information for the comparable prior periods presented have been revised to conform with the current year presentation.

	Revenues		Revenues		Revenues	
	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
North American Realty	\$ 927,137	\$ 837,114	\$ 1,274,621	\$ 1,219,345	\$ 2,201,758	\$ 2,056,459
International Realty	15,596	10,758	20,316	11,991	35,912	22,748
Other Affiliated Services	1,788	1,677	1,467	1,072	3,255	2,749
Revenues reconciliation:						
Segment eliminations	(1,467)	(1,096)	(1,160)	(1,292)	(2,627)	(2,387)
Consolidated revenues	\$ 943,054	\$ 848,453	\$ 1,295,244	\$ 1,231,116	\$ 2,238,298	\$ 2,079,569

	Adjusted EBITDA		Adjusted EBITDA		Adjusted EBITDA	
	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
North American Realty	\$ 17,807	\$ 21,203	\$ 38,503	\$ 34,122	\$ 56,312	\$ 55,325
International Realty	(3,355)	(3,676)	(2,376)	(3,782)	(5,731)	(7,458)
Other Affiliated Services	(767)	(681)	(988)	(1,168)	(1,755)	(1,849)
Corporate expenses and other	(2,643)	(2,223)	(2,325)	(2,325)	(4,968)	(4,548)
Consolidated Adjusted EBITDA	\$ 11,042	\$ 14,623	\$ 32,814	\$ 26,847	\$ 43,858	\$ 41,470
Operating (Loss) Profit Reconciliation:						
Operating Profit Reconciliation:						

Depreciation and amortization expense	2,399	2,215	2,963	3,143	5,363	5,358
Litigation contingency	16,000	-	-	-	16,000	-
Stock compensation expense	8,827	9,660	9,329	8,488	18,157	18,148
Stock option expense	1,990	2,746	1,985	2,380	3,975	5,126
Consolidated operating (loss) profit	(\$ 18,174)	\$ 2				
Consolidated operating profit			\$ 18,537	\$ 12,836	\$ 363	\$ 12,838

	Goodwill		Goodwill	
	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
North American Realty	\$ 14,295	\$ 14,595	\$ 17,286	\$ 14,595
International Realty	-	-	-	-
Other Affiliated Services	2,387	2,387	2,387	2,387
Segment and consolidated total	\$ 16,682	\$ 16,982	19,673	16,982

The Company does not use segment assets to allocate resources or to assess performance of the segments and therefore, total segment assets have not been disclosed.

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9. EARNINGS PER SHARE

Basic earnings per share is computed based on net income attributable to eXp stockholders divided by the basic weighted-average shares outstanding during the period. Dilutive earnings per share is computed consistently with the basic computation while giving effect to all dilutive potential common shares and common share equivalents that were outstanding during the period. The Company uses the treasury stock method to reflect the potential dilutive effect of unvested stock awards and unexercised options.

The following table sets forth the calculation of basic and diluted earnings per share attributable to common stock during the periods presented:

	Three Months Ended March 31,	
	2024	2023
Numerator:		
Net (loss) income from continuing operations	(\$ 13,830)	\$ 1,992
Net loss from discontinued operations	(\$ 1,809)	(\$ 539)
Denominator:		
Weighted average shares - basic	154,740,334	152,546,766
Dilutive effect of common stock equivalents	-	3,121,946
Weighted average shares - diluted	154,740,334	155,668,712
Earnings per share:		
Net (loss) income from continuing operations per share - basic	(\$ 0.09)	\$ 0.01
Net (loss) income from discontinued operations per share - basic	(\$ 0.01)	(\$ 0.00)
Net (loss) income from continuing operations per share - diluted	(\$ 0.09)	\$ 0.01
Net (loss) income from discontinued operations per share - diluted	(\$ 0.01)	(\$ 0.00)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net income (loss) from continuing operations	\$ 11,766	\$ 11,355	(\$ 2,064)	\$ 13,347

Net income (loss) from discontinued operations	\$ 617	(\$ 1,933)	(\$ 1,192)	(\$ 2,472)
Denominator:				
Weighted average shares - basic	153,580,879	153,249,120	154,160,607	152,899,883
Dilutive effect of common stock equivalents	2,403,268	3,444,839	-	3,219,744
Weighted average shares - diluted	155,984,147	156,693,959	154,160,607	156,119,627
Earnings per share:				
Net income (loss) from continuing operations per share - basic	\$ 0.08	\$ 0.07	(\$ 0.01)	\$ 0.09
Net income (loss) from discontinued operations per share - basic	\$ 0.00	(\$ 0.01)	(\$ 0.01)	(\$ 0.02)
Net income (loss) from continuing operations per share - diluted	\$ 0.08	\$ 0.07	(\$ 0.01)	\$ 0.09
Net income (loss) from discontinued operations per share - diluted	\$ 0.00	(\$ 0.01)	(\$ 0.01)	(\$ 0.02)

For three months ended **March 31, 2024** **June 30, 2024** and 2023 total outstanding shares of common stock excluded **3,212,244** 447,005 and **635,343** 656,776 shares, respectively, from the computation of diluted earnings per share because their effect would have been anti-dilutive. For six months ended **June 30, 2024** and 2023 total outstanding shares of common stock excluded 3,037,309 and 588,940 shares, respectively, from the computation of diluted earnings per share because their effect would have been anti-dilutive.

10. INCOME TAXES

Our quarterly tax provision is computed by applying the estimated annual effective tax rate to the year-to-date pre-tax income or loss plus discrete tax items arising in the period. Our provision for income tax expense **(benefit) from continuing operations** amounted to **(\$3.4) million** **\$4.8 million** and **(\$2.6) million** **\$1.2 million** for the **three** **six** months ended **March 31, 2024** **June 30, 2024** and 2023, which represent effective tax rates of positive **18%** **174.3%** and **238%**, **8.1%** respectively. The provision for income tax **benefit** **expense** was primarily attributable to **income(loss) from continuing and discontinuing operations**, deductible stock-based compensation shortfalls, **and** research and development **credit**, **credit** and **non-deductible executive compensation**. The effective tax rate differs from our statutory rates in both periods primarily due to the impact of the stock- based compensation, **and** R&D tax **credit**, **credit** and **non-deductible executive compensation**.

The Company is subject to a wide variety of tax laws and regulations across the jurisdictions where it operates. Regulatory developments from the U.S. or international tax reform legislation could result in an impact to the Company's effective tax rate. The Company continues to monitor the Base Erosion and Profit Shifting (BEPS) Integrated Framework provided by the Organization for Economic Co-operation and Development (OECD) including the legislative adoption of Pillar II by countries, and all other tax regulatory changes, to evaluate the potential impact on future periods. The Company does not expect adoption of Pillar Two rules to have a significant impact on its **consolidated** **condensed** financial statements during fiscal year 2024.

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11. FAIR VALUE MEASUREMENT

The fair value of a financial instrument is the amount that could be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets are marked to bid prices and financial liabilities are marked to offer prices. Fair value measurements do not include transaction costs. The fair value hierarchy prioritizes the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

- Level 1 – Inputs are quoted market prices in active markets for identical assets or liabilities (these are observable market inputs).
- Level 2 – Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability (includes quoted market prices for similar assets or identical or similar assets in markets in which there are few transactions, prices that are not current or prices that vary substantially).
- Level 3 – Inputs are unobservable inputs that reflect the entity's own assumptions in pricing the asset or liability (used when little or no market data is available).

The Company holds funds in a money market account, which are considered Level 1 assets. The Company values its money market funds at fair value on a recurring basis.

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the fair value of the Company's money market funds was **\$46,665** **\$42,455** and \$46,268, respectively.

There have been no transfers between Level 1, Level 2 and Level 3 in the period presented. The Company did not have any Level 2 or Level 3 financial assets or liabilities in the period presented.

12. COMMITMENTS AND CONTINGENCIES

From time to time, the Company is subject to potential liability under laws and government regulations and various claims and legal actions that may be asserted against us that could have a material adverse effect on the business, reputation, results of operations, cash flows or financial condition. Such litigation includes, but is not limited to, actions or claims relating to cyber-attacks, data breaches, the Real Estate Settlement Procedures Act ("RESPA"), the Telephone Consumer Protection Act of 1991 and state consumer protection laws, antitrust and anticompetition, worker classification, timely filing required SEC filings and non-compliance with contractual or other legal obligations.

The Company and its affiliated brokerage entities are among several defendants in eight U.S. and one Canadian putative class action lawsuits alleging that the Company participated in a system that resulted in sellers of residential property paying inflated buyer broker commissions in violation of U.S. federal and state antitrust laws and federal Canadian antitrust laws, as applicable, as discussed further in our 2023 Annual Report and **Note 13 – Subsequent Events to these unaudited consolidated financial statements** ("below, and one U.S. putative class action lawsuit alleging that the Company participated in a system that resulted in buyers of residential property paying inflated home prices as a result of sellers paying inflated buyer broker commissions in violation of federal and Illinois antitrust laws, as discussed further below and in our 2023 Annual Report (collectively, the "antitrust litigation").

As of **March 31, 2024** **June 30, 2024**, the Company has determined that it is probable that a loss associated with the antitrust litigation has occurred and that the lower boundary of potential loss is reasonably estimable.

Based on an analysis of settlements negotiated by co-defendants companies in similar legal matters and ongoing developments in the antitrust litigation, the Company has recorded a provision for loss of \$16.0 million **in the first quarter of 2024**, which represents the lower boundary of a reasonably possible range of loss. The high-end range of loss cannot be reasonably estimated at this time due to the dynamic nature of the lawsuit and the contingent nature of possible outcomes. We have determined that it is at least reasonably possible that the loss estimate provision could change in the near term and that such change could be material. **This contingent uncertainty highlights the provisional nature of the current loss estimate.** Additionally, we cannot provide any assurances that results of such litigation will not have a material adverse effect on our business, results of operations, cash flows or financial condition.

The Company continues to vigorously defend against these claims. However, due to the complexities inherent in such litigation, including the uncertainty of legal processes and potential developments in the cases, the ultimate liability may differ from the current provision. The Company will reassess this estimate as additional information becomes available or as circumstances change.

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On May 22, 2024, Texas Capital Bank ("TCB") entered into a Change in Terms Agreement (the "Change Agreement") with SUCCESS Lending, LLC ("SUCCESS Lending"), an indirect subsidiary and unconsolidated joint venture of the Company, to modify certain terms of that certain Mortgage Warehouse Agreement entered into by and between TCB and SUCCESS Lending in April 2022. The Change Agreement reduces the size of the warehouse credit line provided by TCB to SUCCESS Lending under the Mortgage Warehouse Agreement from \$25 million to \$10 million.

13. SUBSEQUENT EVENTS

Quarterly Cash Dividend

On **April 24, 2024** **July 26, 2024**, the Company's Board of Directors declared a dividend of \$0.05 per share which is expected to be payable on **May 27, 2024** **August 30, 2024**, to stockholders of record as of the close of business on **May 13, 2024** **August 14, 2024**. The ex-dividend date is expected to be on or around **May 10, 2024** **August 13, 2024**. The dividend will be paid in cash.

Antitrust Litigation Commitments

On **April 11, 2024** **July 22, 2024**, Flagstar Bank FSB ("Flagstar") assigned that certain Mortgage Warehouse Agreement entered into in March 2022 (the "SUCCESS Credit Agreement") with SUCCESS Lending to JPMorgan Chase Bank, National Association ("JPMorgan"). The SUCCESS Credit Agreement provided SUCCESS Lending with a revolving warehouse credit line of up to \$25 million. In connection with the assignment of the SUCCESS Credit Agreement

to JPMorgan, Flagstar also assigned to JPMorgan the related Capital Maintenance Agreement (the "Capital Maintenance Agreement"), pursuant to which the Company was named agreed to provide certain funds necessary to ensure that SUCCESS Lending is at all times in *Shauntell Burton et al. v. Bluefield Realty Group, LLC, et al.*, Case No. 7:24-cv-01800-JDA (filed in compliance with its financial covenants under the United States District Court for SUCCESS Credit Agreement. The material terms of the District of South Carolina) (the "Burton Litigation"), brought by a putative class of residential property sellers, alleging that defendants participated in a system that resulted in sellers of residential property purportedly paying inflated buyer broker commissions in violation of federal antitrust law. As with the other antitrust litigation, the plaintiffs seek a permanent injunction enjoining the defendants from requiring home sellers to pay buyer-broker commissions or from otherwise restricting competition among brokers, an award of declaratory relief and damages or restitution on behalf of certain home sellers as well as attorneys' fees and costs of suit. Plaintiffs allege joint and several liability and seek treble or other multiple damages. The Burton Litigation is in the pleadings phase Capital Maintenance Agreement remain unchanged and the Company intends Company's capital commitment liability under the Capital Maintenance Agreement is limited to vigorously defend against all claims. The \$2,000,000. In the event SUCCESS Lending fails to comply with its financial covenants, the Company may become involved in have to contribute additional litigation or other legal proceedings concerning capital up to the same or similar claims.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read together with our condensed consolidated financial statements and related notes included elsewhere in this report. Management's Discussion and Analysis of Financial Conditions and Results of Operations contain forward-looking statements. Our actual results could differ materially from those anticipated in these forward-looking statements. See "Item 1 A. – Risk Factors" in our 2023 Annual Report and "Item 1 A. – Risk Factors" in this Quarterly Report for a discussion of certain risks, uncertainties and assumptions associated with these statements.

This MD&A is divided into the following sections:

- Operational Highlights for the Three and Six Months Ended March 31, 2024 June 30, 2024
- Overview
- Market Conditions and Industry Trends
- Key Business Metrics
- Results of Operations
- Business Segment Disclosures
- Non-U.S. GAAP Financial Measures
- Liquidity and Capital Resources
- Critical Accounting Policies and Estimates

All dollar amounts are in USD thousands except share amounts and per share data and as otherwise noted.

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OPERATIONAL HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, JUNE 30, 2024

- eXp ended the first second quarter of 2024 with a global agent Net Promoter Score ("aNPS") of 73, 76.
- Agents and brokers on the eXp Realty platform decreased 2% (1)% year-over-year to 85,780, 87,111.
- Transactions increased 8% 4% year-over-year to 110,976, 143,318.
- Transaction volume increased 12% 7% year-over-year to \$37.2 billion \$51.9 billion.

OPERATIONAL HIGHLIGHTS FOR THE SIX MONTHS ENDED JUNE 30, 2024

- eXp ended the six months ended June 30, 2024 with a global aNPS of 75.
- Agents and brokers on the eXp Realty platform decreased (1)% year-over-year to 87,111.
- Transactions increased 6% year-over-year to 254,294.
- Transaction volume increased 9% year-over-year to \$89.1 billion.

OVERVIEW

eXp World Holdings, Inc. (the “Company”) was incorporated in Delaware on July 30, 2008 and launched the first cloud-based real estate brokerage offering agent-centric commission structure, revenue sharing, and agent equity opportunities in 2009. Today, the Company operates a diversified portfolio of service-based businesses whose operations benefit substantially from utilizing our enabling technology platform. A substantial portion of our revenue is derived from commissions received by our residential real estate brokerages which provide a full suite of brokerage and adjacent services (such as mortgage, title, and content creation) to our real estate agents and brokers. Our residential real estate agents and brokers affiliate their real estate licenses with us and operate their businesses utilizing our cloud-based technology platform to enhance their real estate business and optimize efficiencies. Our enabling and innovative technology platform is a robust suite of cloud-based applications and software services tailored for our real estate agents and brokers and targets business operations such as customer relationship management, marketing, client services, and brokerage functionalities. We succeed when our real estate professionals succeed and we remain focused on being the most agent-centric business on the planet.

Beginning in the first quarter of 2024, following the discontinuation of Virbela, eXp manages its operations in three operating business segments: North American Realty; International Realty; and Other Affiliated Services. While we do not consider acquisitions a critical element of our ongoing business, we seek opportunities to expand and enhance our portfolio of solutions and believe we are well-positioned to capture additional revenue from such solutions.

Update Relating to Reportable Segments Discontinued Operations

In the first quarter of 2024, we determined that there has been a significant change to the Virbela business model. We have begun the process of winding down the Virbela business, which includes closing out current contracts and reducing our external customers. Further, the technology is being replaced with Virbela Frame® technology that will be initially utilized internally within the Company. We expect the process to wind down the Virbela business to be completed by the fourth quarter of 2024. As a result of this change, the Company has determined that Virbela qualifies for reporting as discontinued operations and will be reported as discontinued operations in our consolidated balance sheet and condensed consolidated statements of comprehensive income. Prior year segment and financial statement information has been reclassified to reflect Virbela as discontinued operations. See *Note 3 – Discontinued Operations* to the condensed consolidated financial statements for additional information regarding the discontinuation of Virbela.

Strategy

Our strategy is to grow organically in North America and certain international markets by increasing our independent agent and broker network. Through our cloud-based operations and technology platform, we strive to achieve customer-focused efficiencies that allow us to increase market share and attain strong returns as we scale our business within the markets in which we operate. By building partnerships and strategically deploying capital, we seek to grow the business and enter attractive verticals and adjacent markets.

The Company's primary emphasis is on achieving operational excellence for our real estate agents, which we monitor using the aNPS. We remain focused on optimizing our operating costs to match our revenue trends. One critical area of capital deployment during the first quarter of 2024 remained our Sustainable Revenue Share Plan (the “Revenue Share Plan”), whereby we pay real estate professionals affiliated with the Company a portion of eXp Realty's commission for their contribution to Company growth. Regular evaluations are conducted to ensure the plan's continued alignment with the Company's overarching objectives and for regulatory compliance.

MARKET CONDITIONS AND INDUSTRY TRENDS

Our business is dependent on the levels of home sales transactions and prices, which can vary based on economic conditions within the markets for which we operate. Changes in these conditions can have a positive or negative impact on our business. The economic conditions influencing housing markets primarily include economic growth, interest rates, unemployment, consumer confidence, mortgage availability and supply and demand.

In periods of economic growth, rising consumer confidence and lower interest rates, demand typically increases resulting in higher home sales transactions and home sales prices. Conversely, in periods of economic recession, declining consumer confidence and higher interest rates, demand typically decreases, resulting in lower home sales transactions and home sale prices. Additionally, regulations imposed by local, state and federal government agencies and geopolitical instability can also negatively impact the housing markets in which we operate.

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Beginning in Over the second quarter of 2022, last several quarters, several macroeconomic conditions have been contributing to the slowdown in the U.S. residential real estate market, which directly impacts our business and financial results. These conditions include, but are not limited to rising inflation, rising mortgage interest rates driven by the Federal Reserve Board increasing federal funds rate, volatility in the U.S. equity markets and continued unrest around the world.

In April 2019, the National Association of REALTORS® ("NAR") and certain brokerages and franchisors were named as defendants in a class action complaint alleging a conspiracy to violate federal antitrust laws by, among other things, requiring residential property sellers in Missouri to pay inflated commission fees to buyer brokers (the "NAR Class Action"). The Company has been named as one of several defendants in similar class action suits, as discussed further in Note 12 – Commitments and Contingencies to these unaudited consolidated financial statements. In March 2024, NAR entered a settlement agreement to resolve on a class wide basis the claims against NAR in the NAR Class Action (the "NAR Settlement"). In addition to a monetary payment, NAR agreed to change certain business practices, including changes to cooperative compensation and buyer agreements, which business practice changes go into effect on August 17, 2024. eXp is proactively preparing its agents for the effective date of the NAR Settlement by offering comprehensive training sessions focused on compliance and best practices, addressing the clarifications in commission transparency and buyer representation agreements, providing resources such as buyer-representation agreement forms, and providing trainings to agents so that they understand the new guidelines and can integrate them into their operations.

The Company believes it is well positioned to grow its market share in the current market conditions. We have a strong base of agent support, which should drive organic market share growth, retention and productivity. Additionally, we offer agents a low-cost, high-engagement model, which affords agents and brokers increased income and ownership opportunities while offering a scalable solution to brokerage owners who want to survive and thrive during market fluctuations. We have an efficient operating model with lower fixed costs driven by our cloud-based model, with no brick-and-mortar locations.

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National Housing Inventory

In During the first second quarter of 2024, the continued increase of mortgage rates and higher home prices have contributed to a rise in inventory levels, as measured in months of supply. According to NAR, inventory of existing homes for sale in the U.S. was 1.1 million 1,320,000 as of March June 2024 (preliminary) compared to 970,000 1,070,000 at the end of March June 2023. This represents 3.2 4.1 months of inventory in 2024 compared to 2.7 3.1 months of inventory in the prior year.

Mortgage Interest Rates

Persistently high mortgage rates during the first quarter of 2024 continue to negatively impact the demand for homebuying. Based on Freddie Mac data, the average rate for a 30-year, conventional, fixed rate mortgage was 6.8% 6.86% in March June 2024 compared to 6.3% 6.71% in March June 2023.

Housing Affordability Index

According to NAR, the composite housing affordability index decreased to 103.0 93.1 for February May 2024 (preliminary) from 109.3 99.6 for February May 2023. When the index is above 100, it indicates that a family earning the median income has sufficient income to purchase a median-priced home, assuming a 20% down payment and ability to qualify for a mortgage. The housing affordability index has been declining year over year due to mortgage rate conditions and higher average home prices driven by constrained inventory levels.

Existing Home Sales Transactions and Prices

According to NAR, existing home sale transactions decreased to an annual rate of 4.2 million 3.89 million in March June 2024 (preliminary) compared to 4.4 million 4.11 million in March June 2023, a decrease of 3.7% 5.4%.

According to NAR, the nationwide existing home sales average price for March of June 2024 (preliminary) was \$393,500 \$426,900 compared to \$375,300 \$410,100 in March June 2023, an increase of 4.8% 4.1%.

The declining home sales transactions and increased prices in the U.S. have negatively impacted our transaction and volume metrics.

Legal & Regulatory Environment

See Part II, Item 1 of this Quarterly Report for a discussion of the current legal environment and how such environment could potentially impact our business, results of operations, cash flows or financial condition.

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KEY BUSINESS METRICS

Management uses our results of operations, financial condition, cash flows, and key business metrics related to our business and industry to evaluate our performance and make strategic decisions.

The following table outlines the key business metrics that we periodically review to track the Company's performance:

					Three Months Ended June 30,		Six Months Ended June 30,	
					2024	2023	2024	2023
	Three Months Ended March 31,		Change		(in thousands, except transactions and agent count)			
	2024	2023	2024 vs. 2023	% Change				
Performance:								
Agent NPS	73	70	3	4%	76	72	75	71
Agent count	85,780	87,327	(1,547)	(2)%	87,111	88,248	87,111	88,248
Real estate sales transactions	91,780	87,101	4,679	5%	120,613	119,277	212,393	206,378
Real estate sales volume	\$ 37,154,750	\$ 33,241,616	\$ 3,913,134	12%	\$ 51,915,639	\$ 48,570,132	\$ 89,070,389	\$ 81,811,749
Other real estate transactions	19,196	15,204	3,992	26%	22,705	17,922	41,901	33,126
Real estate per transaction cost	\$ 650	\$ 613	\$ 37	6%	\$ 488	\$ 533	\$ 559	\$ 567
Revenues	\$ 943,054	\$ 848,453	\$ 94,601	11%	\$ 1,295,244	\$ 1,231,116	\$ 2,238,298	\$ 2,079,569
Operating profit (loss)	(\$ 18,174)	\$ 2	(\$ 18,176)	(908,800)%	\$ 18,537	\$ 12,836	\$ 363	\$ 12,838
Adjusted EBITDA ⁽¹⁾	\$ 11,042	\$ 14,623	(\$ 3,581)	(24)%	\$ 32,814	\$ 26,847	\$ 43,858	\$ 41,470

⁽¹⁾ Adjusted EBITDA is not a measurement of our financial performance under generally accepted accounting principles in the U.S. and should not be considered as an alternative to net income (loss) from continuing operations, operating income, or any other measures derived in accordance with U.S. GAAP. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net income (loss) from continuing operations, see "Non-U.S. GAAP Financial Measures".

Revenue and adjusted EBITDA are key financial measures, and we review these measures to evaluate and drive our core operating performance.

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Agent net promoter score (aNPS)

aNPS is a scale-based measure of customer satisfaction and an aNPS above 50 is considered excellent. aNPS plays a crucial role in attracting and retaining agents and teams, especially during a period marked by market contraction, due to lower transaction volumes and higher mortgage rates. Despite the challenging market conditions, the Company's aNPS was 73 in 76 and 75 for the first quarter of 2024 three and six months ended June 30, 2024, respectively

compared to 70 in 72 and 71 for the first quarter same periods of 2023, respectively, due to our continuous investment in agent onboarding, expert care, transaction processing process and technology.

Agent count

One of our key strengths is attracting real estate agent and broker professionals that contribute to our growth. The rate of growth of our agent and broker base is difficult to predict and is subject to many factors outside of our control, including actions taken by our competitors and macroeconomic factors affecting the real estate industry in general including rising interest rates and declining transaction volume in the U.S.

The number of agents declined 2% (1%) in the first quarter six months of 2024, compared to the first quarter same period of 2023, as we continue to off board less productive agents. However, we are committed to retaining our most productive agents in the United States and Canada through the execution of our growth strategies and the end-to-end suite of services we offer our agents.

Real estate sales transactions and volume

Real estate sales transactions are based on the side (buyer or seller) of each real estate transaction and are recorded when our agents and brokers represent buyers and/or sellers in the purchase or sale, respectively, of a home. The number of real estate transactions is a key driver of our revenue and profitability. Transaction volume represents the total sales value for all transactions and is influenced by several market factors, including, but not limited to, the pricing and quality of our services and market conditions that affect home sales, such as macroeconomic factors, economic growth, local inventory levels, mortgage interest rates, and seasonality.

Our real estate sales transactions and volume typically fluctuate with changes in the market's existing home sales transactions as reported by NAR; however, company-specific initiatives influence the transaction volume and productivity of our agents. In For the first quarter of 2024, three months and six months ended June 30, 2024, compared to the first quarter same periods of 2023, our real estate sales transactions increased 5% 1% and 3%, respectively, due to our agents' productivity, which more than offset the decline in existing home sales in the U.S. as reported by the NAR. Transaction For the three months and six months ended June 30, 2024, compared to the same periods of 2023, transaction volume increased 12% 7% and 9%, respectively, due to increased transactions and increased home sales sale prices.

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Other real estate transactions

Other real estate transactions are recorded for leases, rentals and referrals that are undertaken by our agents and brokers. The increase in other real estate transactions reflects the productivity of our agents and brokers.

Real estate per transaction cost

Real estate per transaction cost is measured as selling, general and administrative, sales and marketing and technology and development expenses resulting from our services that directly support our agents and brokers, divided by total transactions (real estate and other). Real estate per transaction cost increased 6% in decreased (8)% and (1)% for the first quarter of 2024 compared to the first quarter of 2023, three months and six months ended June 30, 2024, respectively, primarily due to strategic investments in personnel increased transactions and lower costs due to support increased transaction volumes and agent NPS, and increased severance and employee-related expenses and cost containment initiatives, partially offset by legal expenses related to the antitrust lawsuits.

Revenues

Revenues represent the commission revenue earned by the Company for closed brokerage real estate transactions. In For the first quarter of 2024, three months and six months ended June 30, 2024, compared to the first quarter same periods of 2023, the Company's revenue increased due to increased real estate transactions driven by increased agent productivity and higher home sales prices, which more than offset declines in the U.S. real estate markets. Our revenues also increased due to increased international production in previously launched markets.

Operating profit (loss) Profit

The operating loss profit in the first second quarter of 2024 of \$18.2 million \$18.5 million compared to operating profit of \$0.2 million \$12.8 million in the first second quarter of 2023, reflects increased revenues, net of agent commissions and other agent-related costs, and lower operating costs in 2024, partially offset by increased legal expenses related to the antitrust lawsuits. The operating profit for the six

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months ended June 30, 2024 of \$0.4 million compared to operating profit of \$12.8 million in the same period of 2023 reflects the litigation contingency accrual of \$16 million, and increased legal expenses related to the antitrust lawsuits, as well as and increased severance and employee-related expenses, partially offset by increased revenues, net of agent commissions and other agent-related costs.

Adjusted EBITDA

Management reviews Adjusted EBITDA, which is a non-U.S. GAAP financial measure, to understand and evaluate our core operating performance. Adjusted EBITDA, for the three months ended March 31, 2024 June 30, 2024 was \$11.0 million \$32.8 million compared to \$14.6 million at March 31, 2023 \$26.8 million for the three months ended June 30, 2023. The decrease increase in adjusted EBITDA reflects increased revenues, net of agent commissions and other agent-related costs, and lower operating costs, partially offset by legal expenses related to the antitrust lawsuits. Adjusted EBITDA for the six months ended June 30, 2024 was \$43.9 million compared to \$41.5 million for the same period of 2023. The increase in adjusted EBITDA reflects increased revenues, net of agent commissions and other agent-related costs, partially offset by legal expenses related to the antitrust lawsuits, as well as increased severance and employee-related expenses, partially offset by increased revenues, net of agent commissions and other agent-related costs. expenses.

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RESULTS OF OPERATIONS

Three Months Ended March 31, 2024 June 30, 2024 compared to the Three Months Ended March 31, 2023 June 30, 2023

			Change	
	Three Months Ended	Three Months Ended	2024 vs. 2023	
	March 31, 2024	March 31, 2023	\$	%
	</			

			Change	
	Three Months Ended	Three Months Ended	2024 vs. 2023	
	June 30, 2024	June 30, 2023	\$	%
<i>(In thousands, except share amounts and per share data)</i>				
Statement of Operations Data:				
Revenues	\$ 1,295,244	\$ 1,231,116	\$ 64,128	5%
Operating expenses				
Commissions and other agent-related costs	1,197,668	1,135,615	62,053	5%
General and administrative expenses	61,160	64,917	(3,757)	(6)%
Technology and development expenses	14,848	14,888	(40)	-%
Sales and marketing expenses	3,031	2,860	171	6%
Total operating expenses	1,276,707	1,218,280	58,427	5%
Operating income	18,537	12,836	5,701	44%
Other (income) expense				
Total other (income) expense, net	(1,749)	(1,294)	(455)	(35)%
Equity in losses of unconsolidated affiliates	374	143	231	162%
Total other (income) expense, net	(1,375)	(1,151)	(224)	(19)%
Income before income tax expense	19,912	13,987	5,925	42%
Income tax expense	8,146	2,632	5,514	209%
Net income (loss) from continuing operations	11,766	11,355	411	4%
Adjusted EBITDA ⁽¹⁾	\$ 32,814	\$ 26,847	\$ 5,967	22%

⁽¹⁾ Adjusted EBITDA is not a measurement of our financial performance under U.S. GAAP and should not be considered as an alternative to net income (loss) from continuing operations, operating income or any other measures derived in accordance with U.S. GAAP. For a definition of Adjusted EBITDA, a reconciliation of Adjusted EBITDA to net income (loss) from continuing operations and a discussion of why we believe Adjusted EBITDA provides useful information to investors, see "Non-U.S. GAAP Financial Measures."

		Change		Change	
		2024 vs. 2023		2024 vs. 2023	
March 31, 2024	March 31, 2023	\$	%	June 30, 2024	June 30, 2023
				\$	%

	<i>(In thousands, except percentages)</i>				<i>(In thousands, except percentages)</i>			
Revenues	\$ 943,054	\$ 848,453	\$ 94,601	11%	\$ 1,295,244	\$ 1,231,116	\$ 64,128	5%

Total revenues increased **11%** 5% as a result of an increase in real estate transactions compared to the same period in 2023, because of the **unique superior** productivity of our agents, which more than offset declines in the U.S. real estate market in the second quarter of 2024. Our revenue also increased due to increased home sales prices.

		Change	
		2024 vs. 2023	
June 30, 2024	June 30, 2023	\$	%
<i>(In thousands, except percentages)</i>			

Commissions and other agent-related costs	\$ 1,197,668	\$ 1,135,615	\$ 62,053	5%

Commissions and other agent-related costs increased 5% primarily because of the increase in real estate transactions and increased home sales prices. Commissions and other agent-related costs include sales commissions, revenue share and stock-based compensation paid to our agents.

	June 30, 2024	June 30, 2023	Change	
			2024 vs. 2023	
			\$	%
<i>(In thousands, except percentages)</i>				
General and administrative expenses	\$ 61,160	\$ 64,917	(\$ 3,757)	(6)%

General and administrative expenses decreased (6%) due to cost containment initiatives, reflected in lower expenses related to the shareholders summit in 2024, since it was conducted virtually, partially offset by increased legal expenses related to the antitrust lawsuit. General and administrative expenses include costs related to wages, employee stock compensation, and other general overhead expenses.

	June 30, 2024	June 30, 2023	Change	
			2024 vs. 2023	
			\$	%
(In thousands, except percentages)				
Technology and development expenses	\$ 14,848	\$ 14,888	(\$ 40)	0%

Technology and development expenses were relatively flat with prior year and include employee and other costs related to the maintenance and development of the technology used by our agents and our employees.

	Change			
			2024 vs. 2023	
	June 30, 2024	June 30, 2023	\$	%
	(In thousands, except percentages)			
Sales and marketing expenses	\$ 3,031	\$ 2,860	\$ 171	6%

Sales and marketing expenses increased 6% due to increased advertising in the U.S. and Canada residential real estate market.

	June 30, 2024	June 30, 2023	Change	
			2024 vs. 2023	
			\$	%
<i>(In thousands, except percentages)</i>				
Total other (income) expense, net	(\$ 1,375)	(\$ 1,151)	(\$ 224)	(19)%

Other (income) increased (19%) primarily due to increased interest income when compared to the second quarter of 2023. Other (income) expense includes interest income earned on cash and cash equivalents, and (earnings) losses related to equity investments.

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	Change			
			2024 vs. 2023	
	June 30, 2024	June 30, 2023	\$	%
	(In thousands, except percentages)			
Income tax expense	\$ 8,146	\$ 2,632	\$ 5,514	209%

The Company's provision for income tax expense from continuing operations amounted to \$8.1 million and \$2.6 million for the three months ended June 30, 2024 and 2023, respectively, which represented effective tax rates of positive 40.9% and 18.8%, respectively. The provision for income tax expense was primarily attributable to deductible stock-based compensation shortfalls, research and development credit and non-deductible executive compensation.

Six Months Ended June 30, 2024 compared to the Six Months Ended June 30, 2023

	Change			
	Six Months Ended	Six Months Ended	2024 vs. 2023	
	June 30, 2024	June 30, 2023	\$	%
	(In thousands)			
Statement of Operations Data:				
Revenues	\$ 2,238,298	\$ 2,079,569	\$ 158,729	8%
Operating expenses				
Commissions and other agent-related costs	2,062,414	1,912,453	149,961	8%
General and administrative expenses	123,742	119,543	4,199	4%
Technology and development expenses	29,609	28,948	661	2%
Sales and marketing expenses	6,170	5,787	383	7%
Litigation contingency	16,000	-	16,000	-%
Total operating expenses	2,237,935	2,066,731	171,204	8%
Operating income	363	12,838	(12,475)	(97)%
Other (income) expense				
Total other (income) expense, net	(2,937)	(2,168)	(769)	(35)%
Equity in losses of unconsolidated affiliates	523	485	38	8%
Total other (income) expense, net	(2,414)	(1,683)	(731)	(43)%
Income before income tax expense	2,777	14,521	(11,744)	(81)%
Income tax expense	4,841	1,174	3,667	312%
Net income (loss) from continuing operations	(2,064)	13,347	(15,411)	(115)%
Adjusted EBITDA ⁽¹⁾	\$ 43,858	\$ 41,470	\$ 2,388	6%

⁽²⁾ Adjusted EBITDA is not a measurement of our financial performance under U.S. GAAP and should not be considered as an alternative to net income (loss) from continuing operations, operating income or any other measures derived in accordance with U.S. GAAP. For a definition of Adjusted EBITDA, a reconciliation of Adjusted EBITDA to net income (loss) from continuing operations and a discussion of why we believe Adjusted EBITDA provides useful information to investors, see "Non-U.S. GAAP Financial Measures."

			Change	
	June 30, 2024	June 30, 2023	2024 vs. 2023	
			\$	%
	(In thousands, except percentages)			
Revenues	\$ 2,238,298	\$ 2,079,569	\$ 158,729	8%

Total revenues increased 8% as a result of an increase in real estate transactions compared to the same period in 2023, because of the superior productivity of our agents, which more than offset declines in the U.S. real estate market in the first quarter half of 2024. Our revenue also increased due to increased home sales prices.

			Change				Change	
	March 31, 2024	March 31, 2023	2024 vs. 2023		June 30, 2024	June 30, 2023	2024 vs. 2023	
			\$	%			\$	%

	(In thousands, except percentages)				(In thousands, except percentages)			
Commissions and other agent-related costs	\$ 864,746	\$ 776,838	\$ 87,908	11%	\$ 2,062,414	\$ 1,912,453	\$ 149,961	8%

Commissions and other agent-related costs increased 11% 8% primarily because of the increase in real estate transactions and increased home sales prices. Commissions and other agent-related costs include sales commissions, revenue share and stock-based compensation paid to our agents.

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	March 31, 2024	March 31, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
			\$	%			\$	%

	(In thousands, except percentages)				(In thousands, except percentages)			
General and administrative expenses	\$ 62,582	\$ 54,626	\$ 7,956	15%	\$ 123,742	\$ 119,543	\$ 4,199	4%

General and administrative expenses increased 15% 4% due to increased severance and employee-related expenses and increased legal expenses related to the antitrust lawsuits, lawsuits, such increases were partially offset by lower costs related to the shareholders summit in 2024, since it was conducted virtually. General and administrative expenses include costs related to wages, employee stock compensation, and other general overhead expenses.

	March 31, 2024	March 31, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
			\$	%			\$	%

	(In thousands, except percentages)				(In thousands, except percentages)			
Technology and development expenses	\$ 14,761	\$ 14,060	\$ 701	5%	\$ 29,609	\$ 28,948	\$ 661	2%

Technology and development expenses increased 5% 2% and include employee and other costs related to the maintenance and development of the technology used by our agents and our employees.

	March 31, 2024	March 31, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
			\$	%			\$	%

	(In thousands, except percentages)				(In thousands, except percentages)			
Sales and marketing expenses	\$ 3,139	\$ 2,927	\$ 212	7%	\$ 6,170	\$ 5,787	\$ 383	7%

Sales and marketing expenses increased 7% due to increased advertising in the U.S. and Canada residential real estate market.

	March 31, 2024	March 31, 2023	Change 2024 vs. 2023		June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
			\$	%			\$	%

	(In thousands, except percentages)				(In thousands, except percentages)			
Total other (income) expense, net	(\$ 1,039)	(\$ 532)	(\$ 507)	(95)%	(\$ 2,414)	(\$ 1,683)	(\$ 731)	(43)%

Other (income) increased 95% (43%) primarily due to increased interest income when compared to the first quarter of 2023. Other (income) expense include interest income earned on cash and cash equivalents, and (earnings) losses related to equity investments.

Income Tax Benefit

	June 30, 2024	June 30, 2023	Change 2024 vs. 2023	
			\$	%
			(In thousands, except percentages)	
Income tax expense	\$ 4,841	\$ 1,174	\$ 3,667	312%

The Company's provision for income tax (benefit) expense from continuing operations amounted to (\$3.4) million \$4.8 million and (\$2.6) million \$1.2 million for the three six months ended March 31, 2024 June 30, 2024 and 2023, respectively, which represented effective tax rates of positive 18% 174.3% and 238% 8.1%, respectively. The provision for income tax (benefit) expense was primarily attributable to income (loss) from continuing and discontinuing operations, deductible stock-based compensation shortfalls, and research and development credit.

	March 31, 2024	March 31, 2023	Change	
			2024 vs. 2023	
			\$	%
(In thousands, except percentages)				
Operating (loss) income	(\$ 18,174)	\$ 2	(\$ 18,176)	(908,800)%

The operating loss in the first quarter of 2024 reflects the litigation contingency accrual of \$16 million, credit and increased legal expenses related to the antitrust lawsuits, as well as increased severance and employee-related expenses, partially offset by increased revenues, non-deductible executive compensation.

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	March 31, 2024	March 31, 2023	Change	
			2024 vs. 2023	
			\$	%
(In thousands, except percentages)				
Adjusted EBITDA	\$ 11,042	\$ 14,623	(\$ 3,581)	(24)%

Adjusted EBITDA decreased 24% and reflects increased legal expenses related to the antitrust lawsuits, as well as increased severance and employee-related expenses, partially offset by increased revenues, net of commissions and other agent-related costs.

BUSINESS SEGMENT DISCLOSURES

See Note 8 – Segment Information to the unaudited condensed consolidated financial statements for additional information regarding our business segments. The following table reflects the results of each of our reportable segments during the three months ended **March 31, 2024**, **June 30, 2024** and 2023:

Three Months Ended	Three Months Ended	Change		Three Months Ended	Three Months Ended	Change	
March 31, 2024	March 31, 2023	2024 vs. 2023		June 30, 2024	June 30, 2023	2024 vs. 2023	
		\$	%			\$	%

	(In thousands)				(In thousands)			
Statement of Operations Data:								
Revenues								
North American Realty	\$ 927,137	\$ 837,114	\$ 90,023	11%	\$ 1,274,621	\$ 1,219,345	\$ 55,276	5%
International Realty	15,596	10,758	4,838	45%	20,316	11,991	8,325	69%
Other Affiliated Services	1,788	1,677	111	7%	1,467	1,072	395	37%
Segment eliminations	(1,467)	(1,096)	(371)	(34)%	(1,160)	(1,292)	132	10%
Total Consolidated Revenues	\$ 943,054	\$ 848,453	\$ 94,601	11%	\$ 1,295,244	\$ 1,231,116	\$ 64,128	5%
Adjusted Segment EBITDA ⁽¹⁾								
Adjusted Segment EBITDA ⁽¹⁾								
North American Realty	17,807	21,203	(\$ 3,396)	(16)%	38,503	34,122	\$ 4,381	13%
International Realty	(3,355)	(3,676)	321	9%	(2,376)	(3,782)	1,406	37%
Other Affiliated Services	(767)	(681)	(86)	(13)%	(988)	(1,168)	180	15%
Total Segment Adjusted EBITDA	13,685	16,846	(3,161)	(19)%	35,139	29,172	5,967	20%
Corporate expenses and other	(2,643)	(2,223)	(420)	(19)%	(2,325)	(2,325)	(0)	-%
Total Reported Adjusted EBITDA ⁽¹⁾	\$ 11,042	\$ 14,623	(\$ 3,581)	(24)%				
Total Reported Adjusted EBITDA ⁽¹⁾					\$ 32,814	\$ 26,847	\$ 5,967	22%

⁽¹⁾ Adjusted Segment EBITDA and Adjusted EBITDA are not measurements of our financial performance under U.S. GAAP and should not be considered as alternatives to net income (loss) from continuing operations, operating income, or any other measures derived in accordance with U.S. GAAP. For a definition of Adjusted Segment EBITDA and Adjusted EBITDA and a reconciliation of such measures to operating profit and net income (loss) from continuing operations, respectively, see "Non-U.S. GAAP Financial Measures". Management evaluates the operating results of each of its reportable segments based upon revenue and Adjusted Segment EBITDA. Adjusted Segment EBITDA is defined by us as operating profit (loss) from continuing operations plus depreciation and amortization and stock-based compensation expenses. Adjusted EBITDA is defined by us as net income (loss) from continuing operations, excluding other income (expense), income tax benefit (expense), depreciation, amortization, impairment charges, litigation contingency expenses, stock-based compensation expense, and stock option expense and other items that are not core to the operating activities of the Company. The Company's presentation of Adjusted Segment EBITDA and Adjusted EBITDA may not be comparable to similar measures used by other companies.

North American Realty revenues increased **11% 5%** in the **firstsecond** quarter of 2024 compared to the same period in 2023 primarily due to increased real estate transactions and increased home sales prices, despite the challenging market in the U.S. residential real estate markets. Adjusted EBITDA **decreased (16)% increased 13%** due to **increased legal expenses, increased severance improved business efficiencies** and **employee-related expenses, partially offset by increased revenues, net of agent commissions and other agent-related reduced costs**.

International Realty revenues increased **45% 69%** in the **firstsecond** quarter of 2024 compared to the same period in 2023 primarily due to increased real estate transactions driven by **increased improved agent** production in previously launched markets. Adjusted EBITDA improved **9% 37%** in the **firstsecond** quarter of 2024 compared to the same period in 2023 due to increased revenue **which was partially offset by increased selling, general and administrative expenses to support the incremental production in existing operations, improved business efficiencies and reduced costs**.

Other Affiliated Services revenues increased **7% 37%** due to Virbela Frame® revenue, which more than offset lower SUCCESS® revenues. Adjusted EBITDA **decreased (13)% improved 15%** due to **increased revenues and cost containment initiatives**.

Corporate expenses and other contain the costs incurred to operate the corporate parent of eXp Realty.

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The following table reflects the results of each of our reportable segments during the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Change 2024 vs. 2023	
			\$	%
			(In thousands)	
Statement of Operations Data:				
Revenues				
North American Realty	\$ 2,201,758	\$ 2,056,459	\$ 145,299	7%
International Realty	35,912	22,748	13,164	58%
Other Affiliated Services	3,255	2,749	506	18%
Segment eliminations	(2,627)	(2,387)	(240)	(10)%
Total Consolidated Revenues	\$ 2,238,298	\$ 2,079,569	\$ 158,729	8%
Adjusted Segment EBITDA ⁽¹⁾				
North American Realty	56,312	55,325	\$ 987	2%
International Realty	(5,731)	(7,458)	1,727	23%
Other Affiliated Services	(1,755)	(1,849)	94	5%
Total Segment Adjusted EBITDA	48,826	46,018	2,808	6%
Corporate expenses and other	(4,968)	(4,548)	(420)	(9)%
Total Reported Adjusted EBITDA	\$ 43,858	\$ 41,470	\$ 2,388	6%

⁽¹⁾ Adjusted Segment EBITDA and Adjusted EBITDA are not measurements of our financial performance under U.S. GAAP and should not be considered as alternatives to net income (loss) from continuing operations, operating income, or any other measures derived in accordance with U.S. GAAP. For a definition of Adjusted Segment EBITDA and Adjusted EBITDA and a reconciliation of such measures to operating profit and net income (loss) from continuing operations, respectively, see "Non-U.S. GAAP Financial Measures". Management evaluates the operating results of each of its reportable segments based upon revenue and Adjusted Segment EBITDA. Adjusted Segment EBITDA is defined by us as operating profit (loss) from continuing operations plus depreciation and amortization and stock-based compensation expenses. Adjusted EBITDA is defined by us as net income (loss) from continuing operations, excluding other income (expense), income tax benefit (expense), depreciation, amortization, impairment charges, litigation contingency expenses, stock-based compensation expense, and stock option expense and other items that are not core to the operating activities of the Company. The Company's presentation of Adjusted Segment EBITDA and Adjusted EBITDA may not be comparable to similar measures used by other companies.

North American Realty revenues increased 7% for the six months ended June 30, 2024 compared to the same period in 2023 primarily due to increased real estate transactions and increased home sales prices, despite the challenging market in the U.S. residential real estate markets. Adjusted EBITDA increased 2% due to increased revenues, net of agent commissions and other agent-related costs, partially offset by increased legal expenses, increased severance and employee-related expenses.

International Realty revenues increased 58% for the six months ended June 30, 2024 compared to the same period in 2023 primarily due to increased real estate transactions driven by improved agent production in previously launched markets. Adjusted EBITDA improved 23% for the six months ended June 30, 2024 compared to the same period in 2023 due to increased revenue and improved business efficiencies and reduced costs.

Other Affiliated Services revenues increased 18% due to Virbela Frame® revenue, which more than offset lower SUCCESS® revenues. Adjusted EBITDA improved 5% due to increased revenues, partially offset by increases in selling, general and administrative expenses related to investing in business initiatives.

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Corporate expenses and other contain the costs incurred to operate the corporate parent of eXp Realty.

NON-U.S. GAAP FINANCIAL MEASURES

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, we use Adjusted EBITDA, a non-U.S. GAAP financial measure, to understand and evaluate our core operating performance. This non-GAAP financial measure, which may be different

than similarly titled measures used by other companies, is presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S.GAAP.

We define the non-U.S. GAAP financial measure of Consolidated Adjusted EBITDA to mean net income (loss) from continuing operations, excluding other income (expense), income tax benefit (expense), depreciation, amortization, **litigation contingency**, impairment charges, litigation contingency expenses, stock-based compensation expense and stock option expense. Adjusted Segment EBITDA is defined as operating profit (loss) from continuing operations plus depreciation and

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amortization and stock-based compensation expenses. We believe that Consolidated Adjusted EBITDA and Adjusted Segment EBITDA provides useful information about our financial performance, enhances the overall understanding of our past performance and future prospects and allows for greater transparency with respect to a key metric used by our management for financial and operational decision-making. We believe that Adjusted Segment EBITDA helps identify underlying trends in our business that otherwise could be masked by the effect of the expenses that we exclude in Adjusted Segment EBITDA. In particular, we believe the exclusion of stock and stock option expenses, provides a useful supplemental measure in evaluating the performance of our underlying operations and provides better transparency into our results of operations.

We are presenting the non-U.S. GAAP measure of Adjusted EBITDA to assist investors in seeing our financial performance through the eyes of management, and because we believe this measure provides an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry.

Adjusted EBITDA should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of Adjusted EBITDA compared to net income (loss) from continuing operations, the closest comparable U.S. GAAP measure. Some of these limitations are that:

- Adjusted EBITDA excludes stock-based compensation expense related to our agent growth incentive program and stock option expense, which have been, and will continue to be for the foreseeable future, significant recurring expenses in our business and an important part of our compensation strategy; and
- Adjusted EBITDA excludes certain recurring, non-cash charges such as depreciation of fixed assets, amortization of intangible assets, and impairment charges related to these long-lived assets, and, although these are non-cash charges, the assets being depreciated, amortized, or impaired may have to be replaced in the future.

The following tables present a reconciliation of Adjusted EBITDA to net (loss) income from continuing operations, the most comparable U.S. GAAP financial measure, for each of the periods presented:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Net (loss) income from continuing operations	(\$ 13,830)	\$ 1,992	11,766	11,355	2,064	13,347
Total other (income) expense, net	(1,039)	(532)	(1,375)	(1,151)	(2,414)	(1,683)
Income tax (benefit) expense	(3,305)	(1,458)	8,146	2,632	4,841	1,174
Depreciation and amortization	2,399	2,215	2,963	3,143	5,363	5,358
Litigation contingency	16,000	-	-	-	16,000	-
Stock compensation expense ⁽¹⁾	8,827	9,660	9,329	8,488	18,157	18,148
Stock option expense	1,990	2,746	1,985	2,380	3,975	5,126
Adjusted EBITDA	\$ 11,042	\$ 14,623	\$ 32,814	\$ 26,847	\$ 43,858	\$ 41,470

⁽¹⁾ This includes agent growth incentive stock compensation expense and stock compensation expense related to business acquisitions.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are our cash and cash equivalents on hand and cash flows generated from our business operations. Our ability to generate sufficient cash flow from operations or to access certain capital markets, including banks, is necessary to fund our operations and capital expenditures,

repurchase our common stock, and meet obligations as they become due. Our cash and cash equivalents balances and cash flows from operations have strengthened primarily due to

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transaction volume growth and improved cost leverage over the prior five years, attributable to the expansion of our independent agent and broker network and, to a lesser extent, increased average prices of home sales.

Currently, our primary use of cash on hand is to sustain and grow our business operations, including, but not limited to, commission and revenue share payments to agents and brokers and cash outflows for operating expenses and dividend payments. In addition, the Company has no known material cash requirements as of **March 31, 2024** **June 30, 2024**, relating to capital expenditures, commitments, or human capital (except as passthrough commissions to agents and brokers concurrent with settled real estate transactions).

We believe that our existing balances of cash and cash equivalents and cash flows expected to be generated from our operations will be sufficient to satisfy our operating requirements for at least the next twelve months. Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets, and cash used to repurchase shares of the Company's common stock. Our capital requirements may be affected by factors which we cannot control such as the changes in the residential real estate market, interest rates, and other monetary and fiscal policy changes to the manner in which we currently operate. In order to support and achieve our future

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growth plans, we may need or seek advantageously to obtain additional funding through equity or debt financing. We believe that our current operating structure will facilitate sufficient cash flows from operations to satisfy our expected long-term liquidity requirements beyond the next twelve months.

Net Working Capital

Net working capital is calculated as the Company's total current assets less its total current liabilities. The following table presents our net working capital as of **March 31, 2024** **June 30, 2024** and December 31, 2023:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Current assets	\$ 300,377	\$ 266,475	\$ 335,567	\$ 266,475
Current liabilities	(204,292)	(141,640)	(237,105)	(141,640)
Net working capital	\$ 96,085	\$ 124,835	\$ 98,462	\$ 124,835

For the **three** **six** months ended **March 31, 2024** **June 30, 2024**, net working capital decreased **(\$28.8)** **26.4** million, or **(23)** **(21)**%, compared to December 31, 2023, **primarily due to increased accrued liabilities and accounts receivable, due to the increased revenues in the first half of 2024, compared to the last half of 2023.**

Cash Flows

The following table presents our cash flows for the three months ended **March 31, 2024** **June 30, 2024** and 2023:

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 60,654	\$ 56,144	131,801	154,168
Net cash used in investment activities	(5,245)	(1,782)	(10,369)	(9,962)

Net cash used in financing activities	(40,809)	(36,205)	(96,458)	(90,935)
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	(589)	594	(1,346)	620
Net change in cash, cash equivalents and restricted cash	\$ 14,011	\$ 18,751	23,628	53,891

For the **three** **six** months ended **March 31, 2024** **June 30, 2024**, net cash provided by operating activities **increased \$4.5 million** **decreased (\$22.4) million** compared to the same period in 2023. The **increase** **decrease** in operating activities was primarily driven by **increased** **decreased net income**, agent equity stock compensation expense, and customer deposits, partially offset by **the decrease in favorable working capital**, capital changes.

For the **three** **six** months ended **March 31, 2024** **June 30, 2024**, net cash used in **our investing** **increased primarily due** activities relates to cash used for **purchases of property and equipment, acquisition of new business, and investments in our affiliates** and **increased modestly** compared to the same period of 2023.

For the **three** **six** months ended **March 31, 2024** **June 30, 2024** and 2023 net cash flows used in financing activities **increased \$5.5 million** compared to the same period in 2023, primarily **were related to** **driven by increased** stock repurchases and the payment of cash dividends.

Acquisitions

While we do not consider acquisitions a critical element of our ongoing business, we seek opportunities to expand and enhance our portfolio of solutions, access new revenue streams, or otherwise complement or accelerate the growth of our existing operations. We may fund acquisitions or investments in complementary businesses with various sources of capital including existing cash balances and cash flow from operations.

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[Table Acquisitions during the first six months of Contents 2024 have not had a material impact on cash flow.](#)

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements included in the 2023 Annual Report, which provides a description of our critical accounting policies. There were no changes to critical accounting policies or estimates as reflected in our 2023 Annual Report. For additional information regarding our critical accounting policies and estimates, see the Critical Accounting Policies and Estimates section of MD&A included in our 2023 Annual Report.

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Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our exposures to market risk since December 31, 2023. For details on the Company's interest rate and foreign currency exchange, see "Item 7A. Quantitative and Qualitative Information About Market Risks" in our 2023 Annual Report.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Management is responsible for establishing and maintaining disclosure controls and procedures that are designed to ensure that information required to be disclosed in its reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer (as the principal executive officer) and Principal Financial Officer, to allow timely decisions regarding required disclosures.

As of **March 31, 2024** **June 30, 2024**, an evaluation was conducted by the Company under the supervision and with the participation of its management, including our Chief Executive Officer and Principal Financial Officer, of the effectiveness of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our Chief Executive Officer and Principal Financial Officer each concluded that the Company's disclosure controls and procedures were effective at the reasonable assurance level as of **March 31, 2024** **June 30, 2024**.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended **March 31, 2024** **June 30, 2024** that have materially affected, or are reasonably believed to be likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

See *Note 12 - Commitments and Contingencies* and *Note 13 –Subsequent Events* to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional information regarding the Company's legal proceedings, which is incorporated herein by reference. We cannot provide any assurances that results of such litigation will not have a material adverse effect on our business, results of operations, cash flows or financial condition.

Litigation and other legal matters are inherently unpredictable and subject to substantial uncertainties and adverse resolutions could occur. In addition, litigation and other legal matters, including class action lawsuits, government investigations and regulatory proceedings can be costly to defend and, depending on the class size and claims, could be costly to settle. As such, the Company could incur judgments, penalties, sanctions, fines or enter into settlements of claims with liability that are materially in excess of amounts accrued and these settlements could have a material adverse effect on the Company's financial condition, results of operations or cash flows in any particular period.

Item 1A. RISK FACTORS

The business, financial condition and operating results of the Company can be affected by a number of risks, whether currently known or unknown. For a discussion of our potential risks and uncertainties, please see in Part I, Item 1A Risk Factors of the 2023 Annual Report. Additional risks not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations in future periods. Any of these factors, in whole or in part, could materially and adversely affect the Company's business, financial condition, operating results and stock price. Except for the risk factors disclosed in Part I, Item 1A of 2023 Annual Report, which are hereby

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incorporated by reference into this Part II, Item 1A of this Quarterly Report, **the risk factor related to legal and regulatory matters** and the modified risk factor **related to our stock** set forth below, there have been no material changes to the Company's risk factors as disclosed in the 2023 Annual Report. **Modifications to the risk factors below are designated by underlined text and removals are designated by stricken text.**

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Risks Related to Legal and Regulatory Matters

Adverse outcomes in litigation and regulatory actions against other companies and agents in our industry could adversely impact our financial results.

Adverse outcomes in legal and regulatory actions against other companies, brokers, and agents in the residential and commercial real estate industry may adversely impact the financial condition of the Company and our real estate brokers and agents when those matters relate to business practices shared by the

Company, our real estate brokers and agents, or our industry at large. Such matters may include, without limitation, RESPA, Telephone Consumer Protection Act of 1991 and state consumer protection law, antitrust and anticompetition, and worker classification claims. Additionally, if plaintiffs or regulatory bodies are successful in such actions, this may increase the likelihood that similar claims are made against the Company and/or our real estate brokers and agents which claims could result in significant liability and be adverse to our financial results if we or our brokers and agents are unable to distinguish or defend our business practices.

As an example, in the matter of *Burnett v. National Association of Realtors* (U.S. District Court for the Western District of Missouri), a federal jury found NAR and certain other remaining brokerage defendants liable for \$1.8 billion in damages related to allegations of breach of federal and state antitrust laws, which verdict was appealed on October 31, 2023 matter remains subject to final court approval. Additionally, certain other brokerage defendants settled with the plaintiffs, including both monetary and non-monetary settlement terms, which also remain subject to final court approval. Since that time, the Company has been named in multiple putative class action complaints; all defendants have since settled (some of which remain subject to final court approval). That same day, the Company, along with other brokerage and non-brokerage defendants, were named as defendants in *Gibson v. National Association of Realtors*, alleging a similar fact pattern and antitrust violations. Since that time, the Company has been named as a defendant in additional putative class action lawsuits alleging similar fact patterns and antitrust violations. NAR and certain brokerage defendants have settled certain of these lawsuits, (which lawsuits remain subject to final court approval), which include both monetary and non-monetary settlement terms. Those settlement terms may impact business practices within the industry which could adversely impact the Company's business, results of operations, and financial condition.

Risks Related to our Real Estate Business

The real estate market may be severely impacted by industry changes as the result of certain class action lawsuits, settlements, or government investigations.

The real estate industry faces significant pressure from private lawsuits and investigations by the Department of Justice (the "DOJ") into antitrust issues.

In April 2019, the National Association of REALTORS® ("NAR") and certain brokerages and franchisors (including Realogy Holdings Corp., HomeServices of America, Inc. RE/MAX, and Keller Williams Realty, Inc.) were named as defendants in a class action complaint alleging a conspiracy to violate federal antitrust laws by, among other things, requiring residential property sellers in Missouri to pay inflated commission fees to buyer brokers (the "NAR Class Action"). On October 31, 2023, a jury found NAR and various of its co-defendants liable and awarded plaintiffs nearly \$1.8 billion in damages (all defendants have since settled, some of which remain subject to final court approval). Class action suits raising similar claims are already pending in this and other jurisdictions and the outcome of the NAR Class Action may result in additional such actions being filed. The Company has been named as one of several defendants in similar class action suits, as discussed further in our 2023 Annual Report, Note 12 – Commitments and Contingencies and Note 13 – Subsequent Events to these unaudited consolidated financial statements.

Defending against class action litigation is costly, may divert time and money away from our operations, and imposes a significant burden on management and employees. Also, the results of any such litigation or investigation cannot be predicted with certainty, and any negative outcome could result in payments of substantial monetary damages or fines, and/or undesirable changes to our operations or business practices, and accordingly, our business, financial condition, or results of operations could be materially and adversely affected.

On March 15, 2024, NAR entered a settlement agreement to resolve on a class wide basis the claims against NAR in the NAR Class Action. In addition to a monetary payment of \$418 million, NAR agreed to change certain business practices, including changes to cooperative compensation and buyer agreements. The NAR settlement agreement: (1) prohibits NAR and REALTOR® MLSs from requiring that listing brokers or sellers make offers of compensation to buyer brokers or other

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buyer representatives; (2) prohibits NAR, REALTOR® MLSs and MLS participants from making an offer of compensation on the MLS; and (3) requires all REALTOR® MLS participants to enter into a written buyer agreement specifying compensation before taking a buyer on tour. The NAR settlement received preliminary court approval on April 23, 2024.

These revised NAR rules and practices have caused and may require additional changes to our business model, including changes to agent and broker compensation and how we meet home buyers. Without mandated commission sharing, for example, we may see the introduction of hourly or a la carte services. Or, if buyers now compensate brokers, they may be more likely to contact listing agents directly, which could drive down dual agent broker commissions. Home lending rules and norms do not currently allow buyers to include buyer's agent compensation in the balance of a home loan, which may

impair the ability of homebuyers to pay their agent fees when purchasing a home. The amended rules and regulations also require us to get a buyer agreement signed before we take a home buyer on a first tour. This requirement may dissuade buyers from hiring the Company, thereby reducing the fees we receive from our agents. These and other shifts in the model for agent and broker compensation could significantly change the brokerage landscape overall and may adversely affect our financial condition and results of operations.

In addition to the NAR Class Action and various similar private actions already pending, beginning in 2018, the DOJ began investigating NAR for violations of the federal antitrust laws. The DOJ and NAR appeared to reach a resolution in November 2020, resulting in the filing of a Complaint and Proposed Consent Judgment pursuant to which NAR agreed to adopt certain rule changes, such as increased disclosure of commission offers. The DOJ has since sought to continue its investigation of NAR, and on April 5, 2024 a federal appeals court decided that the DOJ could reopen its investigation. It is uncertain what effect, if any, the resumption of the DOJ's investigation could have on the larger real estate industry, including any further settlement that may result therefrom.

Risks Related to Our Stock

Because we can issue additional shares of common stock and because we issue stock under equity incentive plans, our stockholders may experience dilution in the future.

We are authorized to issue up to 900,000,000 shares of common stock, of which 183,606,708 shares were issued and 154,669,037 shares were outstanding as of December 31, 2023. Additionally, the Company maintains a 2015 Equity Incentive Plan and a 2024 Equity Incentive Plan from which employees, agents, brokers and certain service providers of the Company and its affiliates can receive awards of the Company's common stock. As of ~~December 31, 2023~~ June 30, 2024, there were 88,596,220 shares registered and authorized under the 2015 Equity Incentive Plan, of which 1,782,991 ~~20,760,284~~ are available for future issuance. ~~As of June 30, 2024, there were 150,000,000 shares authorized and 36,000,000 shares registered under the 2024 Equity Incentive Plan, of which 150,000,000 are available for future issuance, subject to registration. The Company will cease issuing shares under the 2015 Equity Incentive Plan once it switches to the 2024 Equity Incentive Plan, which is anticipated to occur during the fiscal quarter ended September 30, 2024.~~ Our Board of Directors has the authority to cause us to issue additional shares of common stock without consent of any of our stockholders, subject to applicable Nasdaq listing rules. Consequently, current stockholders may experience more dilution in their ownership of our common stock in the future.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table provides information about repurchases of our common stock through the quarter ended ~~March 31, 2024~~ June 30, 2024:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs ⁽¹⁾	Approximate dollar value of shares that may yet be purchased under the plans or programs	Total number of shares purchased				Approximate dollar value of shares that may yet be purchased	
					Total number of shares purchased	Average price paid per share	publicly announced plans or programs ⁽¹⁾	under the plans or programs	Total number of shares purchased	Average price paid per share
1/1/2024-1/31/2024	442,369	\$ 13.65	442,369	\$ 424,569,747						
2/1/2024-2/29/2024	496,925	12.06	496,925	418,569,828						
3/1/2024-3/31/2024	1,637,948	11.23	1,637,948	399,073,544						
4/1/2024-4/30/2024					2,002,515	\$ 10.12	2,002,515		\$ 379,074,101	
5/1/2024-5/31/2024					1,327,188	11.91	1,327,188		364,074,109	
6/1/2024-6/30/2024					1,369,246	10.90	1,369,246		349,080,915	
Total	2,577,242	\$ 12.31	2,577,242		4,698,949	\$ 10.98	4,698,949			

⁽¹⁾ In December 2018, the Board approved a stock repurchase program authorizing the Company to purchase its common stock. In November 2019, the Board amended the repurchase program, increasing the total amount authorized to be purchased from \$25.0 million to \$75.0 million. In December 2020, the Board approved another amendment to the repurchase program increasing the total amount authorized to be purchased from \$75.0 million to \$400.0 million. In May

2022, the Board approved another amendment to the repurchase program increasing the total amount authorized to be purchased from \$400.0 million to \$500.0 million. In June 2023, the Board approved another amendment to the repurchase program increasing the total amount authorized to be purchased from \$500.0 million to \$1.0 billion. The stock repurchase program is more fully disclosed in [Note 6](#) – [Stockholders' Equity](#) to the [consolidated condensed](#) financial statements.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

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Item 5. OTHER INFORMATION

On February 29, 2024, Glenn Sanford, the Company's Chairman of the Board and Chief Executive Officer, adopted a Rule 10b5–1 trading arrangement (as defined in Item 408 of Regulation S-K). The duration of the trading arrangement is through May 21, 2025. The aggregate number of shares of the Company's common stock that may be sold pursuant to the trading arrangement is 4,800,000.

On March 25, 2024, Randall Miles, the Company's director and Vice Chair of the Board, adopted a Rule 10b5–1 trading arrangement (as defined in Item 408 of Regulation S-K). The duration of the trading arrangement is through June 30, 2025. The aggregate number of shares of the Company's common stock that may be sold pursuant to the trading arrangement is 240,000.

Except as set forth in this Item 5, during [During](#) the three months ended [March 31, 2024](#) [June 30, 2024](#), no [other](#) directors [of](#) or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408 of Regulation S-K.

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Item 6. EXHIBITS

Exhibit Number	Exhibit Description	Form	Exhibit	Incorporated by Reference Filing Date/Period End Date	Exhibit Description	Form	Exhibit	Incorporated by Reference Filing Date/Period End Date
3.1	Restated Certificate of Incorporation	10-K	3.1	2/28/2023	Restated Certificate of Incorporation	10-K	3.1	2/28/2023
3.2	Restated Bylaws	10-K	3.2	2/28/2023	Restated Bylaws	10-K	3.2	2/28/2023
4.1	Description of Securities	10-K	4.1	2/22/2024				

10.1	Seventh Amendment to eXp World Holdings, Inc. Stock Repurchase Plan	8-K	10.1	3/8/2024	Eighth Amendment to eXp World Holdings, Inc. Stock Repurchase Plan	8-K	10.1	6/20/2024
10.2*†	Separation and Release of Claims Agreement, dated March 20, 2024, by and between eXp Realty, LLC and Shoeb Ansari				eXp World Holdings, Inc. 2024 Equity Incentive Plan			
10.3*	U.S. Form of eXp Realty, LLC Independent Contractor Agreement							
10.4*	U.S. Form of eXp Realty, LLC Policies & Procedures							
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a 14(a) under the Securities Exchange Act of 1934				Certification of the Chief Executive Officer pursuant to Rule 13a 14(a) under the Securities Exchange Act of 1934			
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a 14(a) under the Securities Exchange Act of 1934				Certification of the Chief Financial Officer pursuant to Rule 13a 14(a) under the Securities Exchange Act of 1934			

32.1**	Certification of the Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			Certification of the Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of the Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			Certification of the Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline	XBRL	Instance Document	
101.INS*				Inline XBRL Instance Document
101.SCH	Inline	XBRL	Taxonomy Extension Schema Document	* Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline	XBRL	Taxonomy Extension Calculation Linkbase Document	
101.CAL*				Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline	XBRL	Taxonomy Extension Definition Linkbase Document	

101.DEF*		Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	
101.LAB*		Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	
101.PRE*		Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	
104*		Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed herewith

** Furnished herewith and not "filed" for purposes of Section 18 of the Exchange Act

† Management contract or compensatory plan or arrangement

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.

May 1, July 31, 2024

eXp World Holdings, Inc.
(Registrant)

/s/ Kent Cheng

Kent Cheng

Chief Accounting Officer (Principal Financial Officer)

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Exhibit 10.2

eXp World Holdings, Inc. 2024 Equity Incentive Plan

Separation and Release of Claims Agreement

This Separation and Release of Claims Agreement ("**Agreement**") is entered into by and between 1. **PURPOSE.** eXp Realty, LLC, World Holdings, Inc., a Washington limited liability company, Delaware corporation (the "**Employer**" "**Company**") on behalf of itself, its parents, subsidiaries, has established this Plan to provide incentives to attract, retain and other corporate affiliates and each of their respective motivate eligible persons whose present and former employees, officers, directors, owners, shareholders, and agents (collectively referred potential contributions are important to as the "**Company**"), and Shoeb Ansari (the "**Employee**") (the Company and the Employee are collectively referred to as the "**Parties**") as of March 20, 2024 (the "**Execution Date**").

The Employee's last day of employment with the Employer is March 20, 2024 (the "**Separation Date**"). After the Separation Date, the Employee will not represent himself as being an employee, officer, attorney, agent (other than real estate agent, if applicable), or representative success of the Company, for and any purpose. Except as otherwise set forth in this Agreement, the Separation Date was the employment termination date for the Employee for all purposes, meaning the Employee is not entitled to any further compensation, monies, Parents and Subsidiaries that exist now or other benefits from the Company, including coverage under any benefit plans or programs sponsored by the Company, as of the Separation Date.

1. **Employee Representations.** The Employee specifically represents, warrants, and confirms that the Employee:

(a) has not filed any claims, complaints, or actions of any kind against the Company with any court of law, or local, state, or federal government or agency;

(b) has been properly paid for all hours worked for the Company; has received all commissions, bonuses, and other compensation due to the Employee, with the exception of the Employee's final payroll check(s) through and including the Separation Date, which will be paid on the next regularly scheduled payroll date for the pay period including the Separation Date, unless required to be paid sooner under applicable state law; and

(c) has not engaged in any unlawful conduct relating to the business of the Company.

If any of these statements is not true, the Employee cannot sign this Agreement and must notify the Company immediately in writing of the statements that are not true. This notice will not automatically disqualify the Employee from receiving these benefits, but will require the Company's further review and consideration.

2. **Separation Benefits.** In consideration for the Employee's execution of, non-revocation of, and compliance with this Agreement, including the Employee's waiver and release of claims in Section 5 below, the Company agrees to provide the following benefits to which the Employee is not otherwise entitled:

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(a) **Severance Payment.** A lump sum payment equal to twelve (12) months of Employee's current annualized salary plus all bonus amounts for which Employee would be eligible to receive in the twelve (12) months following the Separation Date, less all relevant taxes and other withholdings, which shall be paid not later than the next regularly scheduled payroll date following the Separation Date. For clarity, Employee will receive 100% of any bonus payment to which he would normally be eligible to receive during the twelve (12) months following the Separation Date.

Notwithstanding the foregoing, no payment shall be made or begin before the Effective Date of this Agreement. The Effective Date of this Agreement shall be the eighth (8th) day after Employee signs and does not revoke as provided for in Section 5 below.

(b) **COBRA.** If Employee timely and properly elects COBRA, Company will pay Employee's COBRA premiums for up to twelve (12) months. Company will cease paying premiums (i) after twelve (12) months following Separation Date or (ii) if Employee becomes covered under another employer's health plan. After the twelve (12) months, Employee is fully responsible for paying premiums required to continue COBRA through the expiration of the maximum COBRA continuation coverage period for which Employee is eligible under federal law.

(c) **Placement Services.** Company shall provide Employee with placement services for a period of up to four (4) months from the Separation Date.

(d) **Employment Confirmation Provided Upon Request.** With the Employee's signed request, the Company will provide the Employee, a prospective employer, or both with written confirmation of the Employee's employment with the Company, including the Employee's dates of employment and job title as of the Separation Date.

(e) **Company Provided Equipment & Hardware.** Subject to applicable Company technology security practices as determined future, by the Company, the Employee shall be entitled to keep any hardware issued by the Company, including laptops, computers, screens, keyboards, mice, telephones, mobile phones, and hand-held electronic devices, except that Employee warrants and represents that he/she will return any other Company property, including identification cards or badges, access codes or

devices, keys, credit cards, electronically stored documents or files, and physical files, in the Employee's possession within twenty-one (21) calendar days of the Separation Date.

The Employee understands, acknowledges, and agrees that these benefits exceed what the Employee is otherwise entitled to receive on separation from employment, and that these benefits are being given as consideration in exchange for executing this Agreement and the general release contained herein. The Employee further acknowledges that the Employee is not entitled to any additional payment or consideration not specifically referenced in this Agreement. Nothing in this Agreement shall be deemed or construed as offering them an express or implied policy or practice of the Company to provide these or other benefits to any individuals other than the Employee.

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3. **Benefits.** If enrolled in Company benefits, Employee's health benefits will cease on the last day of the month in which the Separation Date occurs, subject to Employee's right to continue his/her health insurance under COBRA, as set forth below. Employee's participation in all other benefits and incidents of employment cease on the Separation Date.

(a) **COBRA.** In accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), Employee will be entitled opportunity to participate in the Company's group health insurance plan after the cessation of his/her employment if actively enrolled in eligible plans as of Employee's Separation Date. It will be the Employee's choice to elect COBRA coverage, and payments of COBRA premiums to the appropriate provider will be Employee's responsibility. The Company's Human Resources Department will timely provide the Employee with all appropriate COBRA forms.

4. **Reimbursements.** The Company shall reimburse the Employee for all reasonable business expenses incurred by the Employee prior to the Separation Date, provided that all such requests for reimbursement are submitted to the Company not later than fourteen (14) days following the Separation Date. Such expenses shall be reimbursed to the Employee in accordance with the Company's Accounts Payable processing schedules.

5. **Release.**

(a) **Employee's General Release and Waiver of Claims.**

In exchange for the consideration provided in this Agreement, the Employee and the Employee's heirs, executors, representatives, administrators, agents, insurers, and assigns (collectively, the "Releasors") irrevocably and unconditionally fully and forever waive, release, and discharge the Company, including the Employer's parents, subsidiaries, affiliates, predecessors, successors, and assigns, and all of their respective officers, directors, employees, shareholders, trustees, partners and other related persons or entities, in their corporate and individual capacities (collectively, the "Released Parties"), from any and all claims, demands, actions, causes of actions, obligations, judgments, rights, fees, damages, debts, obligations, liabilities, and expenses (inclusive of attorneys' fees) of any kind whatsoever, whether known or unknown, from the beginning of time future performance through the date grant of the Employee's execution equity based Awards. Capitalized terms not defined herein are defined in Appendix 2.

2. SHARES SUBJECT TO THE PLAN.

2.1 Number of this Agreement (collectively, “**Claims**”), including, without limitation, any claims under any federal, state, local, or foreign law, that Releasers may have, have ever had, or may in the future have arising out of, or in any way related Shares Available. Subject to the Employee's hire, benefits, employment, termination, or separation from employment with the Company Sections 2.4 and 20 and any actual or alleged act, omission, transaction, practice, conduct, occurrence, or other matter, applicable provisions hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan, including but not limited to:

(i) any and all claims under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, as amended, the Family and Medical Leave Act (with respect to existing but not prospective claims), the Fair Labor Standards Act, the Equal Pay Act, the Employee Retirement Income Security Act (with respect to unvested benefits), the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Worker Adjustment and Retraining Notification Act, the National Labor Relations Act, the Age Discrimination in Employment Act, the Uniform Services

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Employment and Reemployment Rights Act, the Genetic Information Nondiscrimination Act, all state and local laws Shares that may be legally waived, including made subject to ISOs, is 150,000,000 Shares. The aggregate number of Shares reserved for grant and issuance hereunder will automatically increase on January 1 of each year, commencing on January 1, 2024, and ending on (and including) January 1, 2034, in an amount equal to the lesser of (i) three percent (3%) of the total number of shares of Common Stock outstanding on December 31 of the preceding calendar year, or (ii) such number of shares of Common Stock as determined by the Board.

2.2 Lapsed, Returned Awards. Shares subject to Awards, and Shares issued under the Plan under any amendments Award, will again be available for grant and their respective implementing regulations, and any other federal, state, local, or foreign law (statutory, regulatory, or otherwise) that may be legally waived and released;

(ii) any and all claims for compensation of any type whatsoever, including but not limited issuance in connection with subsequent Awards under this Plan to claims for salary, wages, bonuses, commissions, incentive compensation, vacation, and severance that may be legally waived and released;

(iii) any and all claims arising under tort, contract, and quasi-contract law, including but not limited the extent such Shares: (i) are subject to claims of breach issuance upon exercise of an express or implied contract, tortious interference with contract or prospective business advantage, breach Option granted under this Plan but which cease to be subject to the Option for any reason other than exercise of the covenant Option; (ii) are subject to Awards granted under this Plan that are forfeited or are repurchased by the Company at (a) the original issue price or (b) the lower of good faith the original issue price or current fair market value, as applicable; or (iii) are subject to Awards granted under this Plan that otherwise terminate without such Shares being issued. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Shares used or withheld to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award (such as through a “net exercise”) will remain available for future grant or sale under the Plan. No fractional Shares shall be issued under the Plan.

2.3 Minimum Share Reserve. At all times the Company shall reserve and fair dealing, promissory estoppel, detrimental reliance, invasion keep available a sufficient number of privacy, nonphysical injury, personal injury Shares as shall be required to satisfy the requirements of all outstanding Awards granted under this Plan.

2.4 Adjustment of Shares. If the number of outstanding Shares is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or sickness or any other harm, wrongful or retaliatory discharge, fraud, defamation, slander, libel, false imprisonment, and negligent or intentional infliction of emotional distress;

(iv) any and all claims for monetary or equitable relief, including but not limited to attorneys' fees, back pay, front pay, reinstatement, experts' fees, medical fees or expenses, costs, and disbursements; and

(v) any state or local law applicable to employment, any applicable county ordinance; all common law claims (including any breach of any contract, express or implied, wrongful discharge). In releasing similar change in the directors, officers, employees, representatives, and agents capital structure of the Company, Employee is releasing each without the receipt of them consideration, or in their individual capacities as well as in their official capacities with the Company.

However, this general release event of an extraordinary cash dividend, then (i) the number and waiver kind of claims excludes, Shares reserved for issuance and the Employee does not waive, release, or discharge: (A) any right to file an administrative charge or complaint with, or testify, assist, or participate in an investigation, hearing, or proceeding conducted by, the Equal Employment Opportunity Commission, or other similar federal or state administrative agencies, although the Employee waives any right to monetary relief related to any filed charge or administrative complaint; and (B) claims that cannot be waived by law, such as claims for unemployment benefit rights and workers' compensation; (C) indemnification rights the Employee has against the Employer; (D) any right to file an unfair labor practice charge future grant under the National Labor Relations Act Plan set forth in Section 2.1, (ii) the Exercise Prices of outstanding Options or Employee's rights under a collective bargaining agreement without processes; Purchase Prices (if applicable) for Other Stock-Based Awards, (iii) the number and (E) kind of Shares and Performance Factors subject to outstanding Awards and (iv) any rights to vested benefits, other terms that the Board or its delegate hereunder determines require adjustment, shall be appropriately adjusted consistent with such change or event in such manner as pension or retirement benefits, the rights to which are governed by the terms of the applicable plan documents and award agreements.

If the Employee applies for unemployment benefits, the Company will respond truthfully, completely, and timely to any inquiries by the applicable state unemployment insurance agency or department of labor concerning the termination of Employee's employment.

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(b) Specific Release of ADEA Claims

In further consideration of the payments and benefits provided to the Employee in this Agreement, the Releasors hereby irrevocably and unconditionally fully and forever waive, release, and discharge the Released Parties Board may determine. Fractional Shares resulting from any adjustment in Awards shall be eliminated by rounding down.

3. ELIGIBILITY. ISOs may be granted only to Employees. All other Awards may be granted to Employees, Consultants and all Claims, whether known or unknown, from the beginning of time through the date of the Employee's execution of this Agreement arising under the Age Discrimination in Employment Act (ADEA), as amended, and its implementing regulations. By signing this Agreement, the Employee hereby acknowledges and confirms that:

(i) the Employee has read this Agreement in its entirety and understands all of its terms;

(ii) by this Agreement, the Employee has been advised in writing of the right to consult with an attorney of the Employee's choosing before executing this Agreement;

(iii) the Employee knowingly, freely, and voluntarily assents to all of the terms and conditions set out in this Agreement including, without limitation, the waiver, release, and covenants contained in it;

(iv) the Employee is executing this Agreement, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which the Employee is otherwise entitled;

(v) the Employee was given at least twenty-one (21) days to consider the terms of this Agreement and consult with an attorney of the Employee's choice, although the Employee may sign it sooner if desired and changes to this Agreement, whether material or immaterial, do not restart the running of the 21-day period;

(vi) the Employee understands that the Employee has seven (7) days after signing this Agreement to revoke the release in this paragraph by delivering notice of revocation to the Company, 2219 Rimland Drive, Suite 301, Bellingham, WA 98226 before the end of this seven-day period; and

(vii) the Employee understands that the release contained in this paragraph does not apply to rights and claims that may arise after the Employee signs this Agreement.

6. **Post-Termination Obligations and Restrictive Covenants.**

(a) **Acknowledgment**

The Employee understands and acknowledges that by virtue of the Employee's employment with the Company, the Employee had access to and knowledge of Confidential Information, was in a position of trust and confidence with the Company,

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and benefitted from the Company's goodwill. The Employee understands and acknowledges that the Company invested significant time and expense in developing the Confidential Information and goodwill.

The Employee further understands and acknowledges that the restrictive covenants below are necessary to protect the Company's legitimate business interests in its Confidential Information and goodwill. The Employee further understands and acknowledges that the Company's ability to reserve these for the exclusive knowledge and use of the Company is of great competitive importance and commercial value to the Company and that the Company would be irreparably harmed if the Employee violates the restrictive covenants below.

(b) Confidential Information

The Employee understands and acknowledges that during the course of employment with the Company, the Employee has had access to and learned about confidential, secret, and proprietary documents, materials, and other information, in tangible and intangible form, of and relating to the Company and its businesses and existing and prospective customers, suppliers, investors, and other associated third parties ("**Confidential Information**"). The Employee further understands and acknowledges that this Confidential Information and the Company's ability to reserve it for the exclusive knowledge and use of the Company is of great competitive importance and commercial value to the Company, and that improper use or disclosure of the Confidential Information by the Employee might cause the Company to incur financial costs, loss of business advantage, liability under confidentiality agreements with third parties, civil damages, and criminal penalties.

For purposes of this Agreement, Confidential Information includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic, or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, publications, documents, research, operations, services, strategies, techniques, agreements, contracts, terms of agreements, transactions, potential transactions, negotiations, pending negotiations, know-how, trade secrets, computer programs, computer software, applications, operating systems, software design, web design, work-in-process, databases, manuals, records, articles, systems, material, sources of material, supplier information, vendor information, financial information, results, accounting information, accounting records, legal information, marketing information, advertising information, pricing information, credit information, design information, payroll information other than the Employee's own payroll information, staffing information other than the Employee's own staffing information, personnel information other than the Employee's own personnel information, employee lists, supplier lists, vendor lists, developments, reports, internal controls, security procedures, graphics, drawings, sketches, market studies, sales information, revenue, costs, formulae, notes, communications, algorithms, product plans, designs, styles, models, ideas, audiovisual programs, inventions, unpublished patent applications, original works of authorship, discoveries, experimental processes, experimental results, specifications,

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customer information, customer lists, client information, client lists, manufacturing information, factory lists, distributor lists, buyer lists, and other such examples of confidential information Directors of the Company or any Parent or Subsidiary of the Company whose participation in the Plan the Board or its businesses delegate hereunder determines to be in the company's best interests.

4. ADMINISTRATION.

4.1 Authority. This Plan will be administered by the Board. The Board, in its discretion, may delegate the granting of Awards and other administration of the Plan to a committee of the Board or any existing or prospective customer, supplier, investor, to officers of the Company or other associated third party, or of persons, subject to any other person or entity that has entrusted information applicable legal limitations and, in such event, references to the Employee in confidence.

The Employee understands that the above list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear. Board shall be references to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used.

The Employee understands and agrees that Confidential Information developed by the Employee in the course of the Employee's employment by the Employer is such delegate(s), subject to the terms and conditions of this Agreement as if the Company furnished the same Confidential Information such delegation. Subject to the Employee in general purposes, terms and conditions of this Plan, the first instance. Confidential Information Board will have full power to implement and carry out this Plan. The Board will have the authority, without limitation, to:

(i) determine eligible Employees, Consultants and Directors to whom Awards shall not include information that is generally available be granted from time to time and known by the public at the time number of disclosure to the Employee, provided that the disclosure is through no direct or indirect fault of the Employee or person(s) acting on the Employee's behalf.

(c) **Disclosure and Use Restrictions**

(i) **Employee Covenants.** The Employee agrees and covenants:

(A) to treat all Confidential Information as strictly confidential;

(B) not to directly or indirectly disclose, publish, communicate, or make available Confidential Information, or allow it Shares to be disclosed, published, communicated, or made available, in whole or part, covered by each Award;

(ii) determine, from time to any entity or person whatsoever (including other employees time, the Fair Market Value of the Company) not having a need to know and authority to know and use the Confidential Information in connection with the business of the Company and, in any event, not to anyone outside of the direct employ of the Company and only after execution of a confidentiality agreement by the third party with whom Confidential Information will be shared or with the prior consent of an authorized officer acting on behalf of the Company in each instance (and then, such disclosure shall be made only within the limits Shares;

(iii) determine, and to the extent of such duties or consent);

(C) not to access or use any Confidential Information, and not to copy any documents, records, files, media, or other resources containing any Confidential Information, or remove any such documents, records, files, media, or other resources from the premises or control of the Company, except as allowed by applicable law, or with the prior written consent of an authorized officer acting on behalf of the Company (and then,

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such disclosure shall be made only within the limits and to the extent of such law, duties or consent); and

(D) to comply with Company's Insider Trading Policy provided to you upon your initial hiring. In accordance with this policy, you agree not to trade Company stock while set forth in

possession of Confidential Information. Further, you will not “tip” others in their contemplation of Company stock transactions while in possession of Confidential Information, including mental impressions and notes thereof. You hereby acknowledge that you are aware that any such trading made while in the possession of Confidential Information violates United States securities laws and that any such violations subject you to significant financial and criminal penalties.

The Employee understands and acknowledges that the Employee's obligations under this Agreement regarding any particular Confidential Information begin immediately and shall continue during and after the Employee's employment by the Employer until the Confidential Information has become public knowledge other than as a result of the Employee's breach of this Agreement or a breach by those acting in concert with the Employee or on the Employee's behalf.

(ii) *Permitted Disclosures.* Nothing in this Agreement shall be construed to prevent disclosure of Confidential Information as may be required by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the disclosure does not exceed the extent of disclosure required by such law, regulation, or order. The Employee shall promptly provide written notice of any such order to an authorized officer of the Company.

Nothing in this Agreement prohibits or restricts the Employee (or Employee's attorney) from initiating communications directly with, responding to an inquiry from, or providing testimony before the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization, or any other federal or state regulatory authority regarding this Agreement or its underlying facts or circumstances or a possible securities law violation.

Nothing in this Agreement in any way prohibits or is intended to restrict or impede the Employee from discussing Award Agreements, the terms and conditions of his/her employment with co-workers all Awards, including any applicable exercise or union representatives/exercising protected rights purchase price, the installments and conditions under Section 7 which an Award shall become vested (which may be based on performance), terminated, expired, cancelled, or replaced, and the circumstances for vesting acceleration or waiver of forfeiture restrictions, and other restrictions and limitations, which terms and conditions need not be uniform among Awards or Participants;

(iv) approve the forms of Award Agreements and all other documents, notices and certificates in connection therewith which need not be identical either as to type of Award or among Participants;

(v) construe and interpret the terms of the National Labor Relations Act/exercising protected Plan and any Award Agreement, to determine the meaning of their terms, and to prescribe, amend, and rescind rules and procedures relating the Plan and its administration;

(vi) delegate any of the foregoing to a subcommittee consisting of one or more executive officers pursuant to a specific delegation; and

(vii) grant Awards to eligible Employees, Consultants and Directors residing outside the U.S. or to otherwise adopt or administer such procedures or sub-plans for such Awards on such terms and conditions different from those specified in the Plan.

4.2 Board Interpretation and Discretion. Any determination made by the Board with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or any Award Agreement shall be submitted by the Participant or Company to the Board for review. The resolution of such a dispute by the Board shall be final and binding on the Company and the Participant. The Board may delegate to one or more executive officers the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant.

4.3 Documentation. The Award Agreement for a given Award, the Plan and any other documents may be delivered to, and accepted by, a Participant or any other person in any manner (including electronic distribution or posting) that meets applicable legal requirements.

5. OPTIONS. The Board may grant Options to Participants and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("ISOs") or Nonqualified Stock Options ("NQSOs"), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may vest and be exercised, and all other terms and conditions of the Option, subject to the following:

5.1 Option Grant. Each Option granted under this Plan will identify the Option as an ISO or an NQSO. An Option may be, but need not be, awarded upon satisfaction of such Performance Factors during any Performance Period as are set out in the Participant's individual Award Agreement. If the Option is being

earned upon the satisfaction of Performance Factors, then the Board will: (x) determine the nature, length and starting date of any Performance Period for each Option; and (y) select from among the Performance Factors to be used to measure the performance. Performance Periods may overlap and Participants may participate simultaneously with respect to Options that are subject to different performance goals and other criteria.

5.2 Exercise Period. Options may be vested and exercisable within the times or upon the conditions as set forth in the Award Agreement governing such Option; provided, however, that no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and provided further that no ISO granted to a person who, at the time the ISO is granted, directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Parent or Subsidiary of the Company as described in Section 422(b)(6) of the Code ("Ten Percent Stockholder") will be exercisable after the expiration of five (5) years from the date the ISO is granted. The Board also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Board determines.

5.3 Exercise Price. The Exercise Price of an Option will be determined by the Board when the Option is granted; provided that:

(i) the exercise price per share of an ISO shall not be less than 100% (or, with respect to ISOs granted to a Ten Percent Stockholder, 110%) of the Fair Market Value per share of the Common Stock on the date of grant; and

(ii) Options granted in substitution for outstanding options of another company in connection with the merger, consolidation, acquisition of property or stock or other reorganization involving such other company and the Company or any Subsidiary may be granted with an exercise price equal to the exercise price for the substituted option of the other company, subject to any adjustment consistent with the terms of the transaction pursuant to which the substitution is to occur.

(iii) The Board may issue Awards in settlement or assumption of, or in substitution for, outstanding Awards in connection with the Company or a Subsidiary acquiring another entity, an interest in another entity or an additional interest in a Subsidiary whether by merger, stock purchase, asset purchase or other form of transaction. Any Shares issuable pursuant to such Awards shall not be counted against the Share limit set forth in Section 2.1.

5.4 Method of Exercise. Any Option granted hereunder will be vested and exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Board and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Board may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.4 of the Plan. Payment for Stock purchased upon any exercise of an Option shall be made in full in cash concurrently with such exercise, except that, if the Board shall have authorized it and the Company is not then legally prohibited from receiving such consideration, any other method in accordance with Section 9 of the Plan.

5.5 Termination. The exercise of an Option will be subject to the following (except as may be otherwise provided in an Award Agreement or authorized by the Board):

(i) If the Participant is Terminated for any reason except for Cause or the Participant's death or Disability, then the Participant may exercise such Participant's Options only to the extent that such rights cannot be waived by agreement, or otherwise disclosing information

as permitted by law. Options would

(iii) *Notice of Immunity Under the Economic Espionage Act of 1996, as amended by the Defend Trade Secrets Act of 2016.* Notwithstanding any other provision of this Agreement:

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(A) The Employee will not be held criminally or civilly liable under have been exercisable by the Participant on the Termination Date no later than ninety (90) days after the Termination Date, but in any federal or state trade secret law for any disclosure event no later than the expiration date of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document that is filed under seal in a lawsuit or other proceeding.

Options.

(B) (ii) If the Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Employee may disclose the Company's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding if the Employee: (1) files any document containing the trade secret under seal; and (2) does not disclose the trade secret, except pursuant to court order.

(d) Non-Solicitation of Employees

The Employee understands and acknowledges that the Company has expended and continues to expend significant time and expense in recruiting and training its employees and that the loss of employees would cause significant and irreparable harm to the Company. The Employee agrees and covenants not to directly or indirectly solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment of any employee of the Company for the remainder of the Employee's employment with the Company and for the term of 12 months, to run consecutively, beginning on the Separation Date.

(e) Non-Solicitation of Customers

The Employee understands and acknowledges that the Company has expended and continues to expend significant time and expense in developing real estate agent and customer relationships, real estate agent and customer information, and goodwill, and that Participant is Terminated because of the Employee's experience with and relationship to Participant's death (or the Company, the Employee has had access to and learned about much Participant dies within ninety (90) days after a Termination other than for Cause or all because of the Company's real estate agent and customer information (individually and collectively "Customer Information"). Customer Information includes, but is not limited to, names, phone numbers, addresses, email addresses, transaction history, transaction preferences, chain of command, pricing information, and other information identifying facts and circumstances specific to Participant's Disability), then the real estate agent or customer and relevant to sales and services.

The Employee understands and acknowledges that loss of any of these real estate agents and/or customer relationships or goodwill will cause significant and irreparable harm to the Company.

The Employee agrees and covenants, during the next 12 months, to run consecutively, beginning on the Separation Date, not to directly or indirectly solicit or

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attempt to solicit, contact (including but not limited to communications using email, regular mail, express mail, telephone, fax, instant message, social media, or any other oral, written, or electronic transmission), attempt to contact, or meet with the Company's current, former, or prospective real estate agents or customers for purposes of offering or accepting brokerage services, goods or services similar to or competitive with those offered by the Company.

This restriction shall Participant's Options may be exercised only apply to:

(i) real estate agents and/or customers or prospective customers the Employee contacted in any way during the 12 months before the Separation Date;

(ii) real estate agents and/or customers about whom the Employee has trade secret or Confidential Information; or

(iii) real estate agents and/or customers about whom the Employee has information that is not available publicly; or

(iv) real estate agents and/or customers who became customers during the Employee's employment with the Company.

For clarity, nothing in this section shall prevent Employee from entering into or continuing an independent contractor relationship with Company as a real estate agent using Company as his brokerage, nor from conducting the usual business of a real estate agent with other real estate agents associated with Company.

7. Non-Disparagement. The Employee and the Company each agree and covenant that neither the Employee nor the Company shall at any time make, publish, or communicate to any person or entity or in any public forum any defamatory or maliciously false, or disparaging remarks, comments, or statements concerning the other Party or its businesses, or any of its employees, officers, or directors and its/their existing and prospective customers, suppliers, investors, and other associated third parties, now or in the future. As this Section 7 pertains to the Company, Employee acknowledges that the Company cannot feasibly control what every employee may publish or communicate and that this Section 7 shall restrict the speech and communications of only those official publications and communications of the Company and those statements of its Officers and Board of Directors made in any public forum.

This Section does not in any way restrict or impede the Employee from exercising protected rights, including rights under the National Labor Relations Act (NLRA) or the federal securities laws, including the Dodd-Frank Act, to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that

such compliance does not exceed that required Options would have been exercisable by the law, regulation, Participant on the Termination Date and must be exercised by the Participant's legal representative, or order.

8. **Confidentiality of Agreement.** The Employee agrees and covenants that authorized assignee, no later than twelve (12) months after the Employee shall not disclose Termination Date, but in any event no later than the expiration date of the negotiations Options.

(iii) If the Participant is Terminated because of terms of, or amount paid under this

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Agreement to any individual or entity; provided, however, that the Employee will not be prohibited from making disclosures to Participant's Disability, then the Employee's spouse or domestic partner, attorney, tax advisors, or as Participant's Options may be required by law.

This Section does not in any way restrict or impede the Employee from exercising protected rights exercised only to the extent that such rights cannot Options would have been exercisable by the Participant on the Termination Date and must be waived exercised by agreement the Participant (or the Participant's legal representative or from complying with authorized assignee) no later than twelve (12) months after the Termination Date, but in any applicable law or regulation or event no later than the expiration date of the Options.

(iv) If the Participant is terminated for Cause, then Participant's Options shall expire on such Participant's Termination Date.

5.6. Limitations on Exercise. The Board may specify a valid order minimum number of a court Shares that may be purchased on any exercise of competent jurisdiction or an authorized government agency, Option, provided that such compliance does minimum number will not exceed prevent any Participant from exercising the Option for the full number of Shares for which it is then exercisable.

5.7. Limitations on ISOs. With respect to Awards granted as ISOs, to the extent that required the aggregate Fair Market Value of the Shares with respect to which such ISOs are exercisable for the first time by the law, regulation, or order.

9. **Indemnification.** Company shall indemnify Employee to the fullest extent permitted by the laws of the State of Washington for Employee's lawful actions Participant during his employment with Company and taken in his capacity as an employee of Company.

10. **Remedies.** In the event of a breach or threatened breach by the Employee of any of the provisions of this Agreement, the Employee hereby consents and agrees that the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. Any equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages, or other available relief.

If the Employee fails to comply with any of the terms of this Agreement or post-termination obligations contained in it, or if the Employee revokes the ADEA release contained in Section 4 within the seven-day revocation period, the Company may, in addition to any other remedies it may have, reclaim any amounts paid to the Employee under the provisions of this Agreement or terminate any benefits or payments that are later due under this Agreement, without waiving the releases provided in it.

The Parties mutually agree that this Agreement can be specifically enforced in court and can be cited as evidence in legal proceedings alleging breach of the Agreement.

11. Successors and Assigns.

(a) Assignment by the Company

The Company may freely assign this Agreement at any time. This Agreement shall inure to the benefit of the Company and its successors any Parent or Subsidiary) exceeds one hundred thousand dollars (\$100,000), such Options will be treated as NQSOs. For purposes of this Section 5.7, ISOs will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the date the Option with respect to such Shares is granted. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, such different limit will be automatically incorporated herein and assigns will apply to any Options granted after the effective date of such amendment.

5.8. Modification, Extension or Renewal. The Board may modify, extend or renew outstanding Options, subject to applicable law, provided that any such action may not, without the written consent of a Participant, materially impair any of such Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code.

(b) No Assignment

6. RESTRICTED STOCK AWARDS

6.1 Awards of Restricted Stock. A Restricted Stock Award is an offer by the Employee

6.2 Purchase Price. The Employee may not assign this Agreement in whole or in part. Any purported assignment Purchase Price for a Restricted Stock Award will be determined by the Employee shall Board and may be null and void from less than Fair Market Value on the initial date the Restricted Stock Award is granted (including zero). Payment of the purported assignment Purchase Price (if any) must be made in accordance with Section 9 of the Plan, and the Award Agreement and in accordance with any procedures established by the Company.

6.3 Terms of Restricted Stock Awards. Restricted Stock Awards will be subject to such restrictions as the Board may impose or are required by law. These restrictions may be based on completion of a specified

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12. Governing Law, Jurisdiction, and Venue. This Agreement and all matters arising out of or relating to this Agreement and the Employee's employment by Company, whether sounding contract, tort, or statute, for all purposes shall be governed by and construed in accordance with the laws of the State of Washington (including its statutes) Performance Factors, if any, during any Performance Period as set out in the Participant's Award Agreement. Prior to the grant of limitations) without regard to any conflicts of laws principles that would require a Restricted Stock Award, the Board shall: (a) determine the nature, length and starting date of any other jurisdiction Performance Period for the Restricted Stock Award; (b) select from among the Performance Factors to apply. Any action or proceeding by either be used to measure performance goals, if any; and (c) determine the number of the Parties to enforce this Agreement shall Shares that may be brought only in any state or federal court located in the State of Washington, County of Whatcom. The

Parties hereby irrevocably submit awarded to the exclusive jurisdiction Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Restricted Stock Awards that are subject to different Performance Periods and having different performance goals and other criteria.

6.4 Termination of these courts and waive the defense of inconvenient forum to the maintenance of any action or proceeding in these venues.

13. **Entire Agreement.** Unless specifically provided herein, this Agreement contains all of the understandings and representations between Company and Employee relating to the subject matter hereof and supersedes all prior and contemporaneous understandings, discussions, agreements, representations, and warranties, both written and oral, regarding such subject matter; provided, however, that nothing in this Agreement modifies, supersedes, voids, or otherwise alters Employee's confidentiality, non-compete, and any other surviving agreements or contractual obligations with Company. Employee's confidentiality, non-compete, and any other surviving agreements or contractual obligations shall remain in full force and effect.

14. **Expiration of Offer.** The offer of this Agreement shall expire automatically sixty (60) days following the date first received by Employee (the "Expiration Date") unless first accepted or declined by Employee.

15. **Modification and Waiver.** No provision of this Agreement Participant. Except as may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Employee and by the duly authorized representative of the Company. No waiver by either Party of any breach by the other party of any condition or provision of this Agreement to be performed by the other party shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power, or privilege under this Agreement operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

16. **Severability.** Should any provision of this Agreement be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Agreement shall be held to be unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the Parties with any such modification to become a part hereof and treated as though originally set forth in this the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Board).

7. RESTRICTED STOCK UNITS.

7.1 Awards of Restricted Stock Units. A Restricted Stock Unit ("RSU") is an award to a Participant covering a number of Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). All RSUs shall be made pursuant to an Award Agreement.

7.2 Terms of RSUs. The Parties further agree Board will determine the terms of an RSU including, without limitation: (i) the number of Shares subject to the RSU; (ii) the time or times at which the RSU vests; (iii) the consideration to be distributed on settlement; and (iv) the effect of the Participant's Termination on each RSU. An RSU may vest upon satisfaction of such performance goals based on Performance Factors during any Performance Period as are set out in the Participant's Award Agreement. If the RSU vests upon satisfaction of Performance Factors, then the Board will: (x) determine the nature, length and starting date of any Performance Period for the RSU; (y) select from among the Performance Factors to be used to measure the performance, if any; and (z) determine the number of Shares deemed subject to the RSU. Performance Periods may overlap and participants may participate simultaneously with respect to RSUs that any such court is expressly authorized are subject to modify any such unenforceable provision different Performance Periods and different performance goals and other criteria.

7.3 Form and Timing of this Agreement instead of severing such unenforceable provision from this Agreement Settlement. The Board, in its entirety, whether by rewriting sole discretion, may settle earned RSUs in cash, Shares, or a combination of both. The Board may also permit a Participant to defer settlement under a RSU to a date or dates after the offending provision, deleting any or all RSU vests,

provided that the terms of the offending provision, adding additional language to this Agreement, or by making such other modifications as it deems necessary to carry out RSU and any deferral satisfy the intent and agreement requirements of Section 409A of the Parties Code.

7.4 Termination of Participant. Except as embodied in this Agreement to the maximum extent permitted by law.

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The Parties expressly agree that this Agreement as so modified by the court shall may be binding upon and enforceable against each of them. If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and if such provision or provisions are not modified as provided above, this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had not been set forth in it. the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Board).

8. OTHER STOCK-BASED AWARDS.

17. Captions. Captions

8.1 Other Stock-Based Awards. The Board is authorized to grant to Participants Other Stock-Based Awards, including shares of Common Stock awarded purely as a bonus and headings not subject to any restrictions or conditions, shares of Common Stock in payment of the sections amounts due under an incentive or performance plan sponsored or maintained by the Company, stock equivalent units, deferred stock units, and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed Awards valued by reference to the caption value of shares of Common Stock. The Board may condition the grant or heading vesting of Other Stock-Based Awards upon the attainment of specified Performance Factors or such other factors as the Board may determine. The Board may also provide for the grant of Common Stock under such Awards upon the completion of a specified Performance Period. Other Stock-Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under this Plan.

8.2 Terms of Other Stock-Based Awards. The Board will determine, and each Award Agreement shall set forth, the terms of each Other Stock-Based Award including, without limitation: (i) any vesting conditions; (ii) the number of Shares upon which such Other Stock-Based Award is based; (iii) the Performance Factors and Performance Period (if any) that shall determine the time and extent to which each Performance Award shall be vested or granted; (d) the consideration to be distributed on settlement; and (iv) the effect of the Participant's Termination on each Other Stock-Based Award. In establishing Performance Factors and the

Performance Period (if any) the Board will: (x) determine the nature, length and starting date of any section Performance Period; and (y) select from among the Performance Factors to be used. Prior to settlement the Board shall determine the extent to which Other Stock-Based Awards have been earned. Performance Periods may overlap and Participants may participate simultaneously with respect to Other Stock-Based Awards that are subject to different Performance Periods and different performance goals and other criteria.

8.3 Deferral of Other-Stock Based Awards. To the extent permitted by law, the Board may permit Participants to defer all or paragraph.

18. Counterparts. The Parties may execute a portion of their compensation in the form of Other Stock-Based Awards granted under this Agreement in counterparts, each Plan, subject to the terms and conditions of any deferred compensation

arrangement established by the Company, which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. Delivery of an executed counterpart's signature page of this Agreement by facsimile, email in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document has the same effect as delivery of an executed original of this Agreement.

19. **No Admission of Liability.** Nothing in this Agreement shall be construed as an admission by the Company of any wrongdoing, liability, or noncompliance with any federal, state, city, or local rule, ordinance, statute, common law, or other legal obligation. The Company specifically disclaims and denies any wrongdoing or liability to Employee.

20. **Notices.** All notices under this Agreement must be given in writing by personal delivery/regular mail/receipted email/electronic mail at the addresses indicated in this Agreement or any other address designated in writing by either party. When providing written notice to the Company, the Employee must provide a copy to the Company's General Counsel at the address below.

Notice to the Company:
Attention: Legal Department
eXp Realty, LLC
2219 Rimland Dr, Suite 301
Bellingham, WA 98226

Notice to the Employee:
Shoeb Ansari

21. **Tolling.** If the Employee violates any of the post-termination obligations in this Agreement, the obligation at issue will run from the first date on which the Employee ceases to be in violation of such obligation.

22. **Attorneys' Fees and Costs.** If the Employee breaches any terms of this Agreement or the post-termination obligations articulated or referenced in it, to the extent authorized by Washington law, the Employee will be responsible for payment of all reasonable attorneys' fees

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and costs that Company incurred in the course of enforcing the terms of the Agreement, including demonstrating the existence of a breach and any other contract enforcement efforts.

23. **Section 409A.** This Agreement is manner intended to comply with Section 409A of the Internal Revenue Code Code.

8.4 Termination of 1986, Participant. Except as amended (Section 409A), or an exemption under Section 409A, and shall may be construed and administered set forth in accordance with Section 409A. Notwithstanding any other provision of the Participant's Award

Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Board).

9. PAYMENT FOR SHARE PURCHASES.

Payment from a Participant for Shares purchased pursuant to this Agreement, payments provided under this Agreement Plan may only be made upon an event in cash or by check or, where expressly approved for the Participant by the Board and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as a settlement payment pursuant to a bona fide legal dispute shall be excluded from Section 409A where permitted by law (and to the maximum extent possible. For purposes of Section 409A, any installment payments provided under this Agreement shall each be treated as a separate payment. To not otherwise set forth in the extent required under Section 409A, any payments to be made under this Agreement upon a termination of employment shall only be made upon a "separation from service" under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by the Employee on account of non-compliance with Section 409A.

24. **Notice of Post-Termination Obligations.** When the Employee's employment with the Employer terminates, the Employee agrees to notify any subsequent employer of the restrictive covenants contained or referenced in this Agreement. In addition, the Employee authorizes the Company to provide a copy of the restrictive covenants contained or referenced in this Agreement to third parties, including but not limited to, the Employee's subsequent, anticipated, or possible future employer.

25. **Acknowledgment of Full Understanding.** THE EMPLOYEE ACKNOWLEDGES AND AGREES THAT THE EMPLOYEE HAS FULLY READ, UNDERSTANDS, AND VOLUNTARILY ENTERS INTO THIS AGREEMENT. THE EMPLOYEE ACKNOWLEDGES AND AGREES THAT THE EMPLOYEE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF THE EMPLOYEE'S CHOICE BEFORE SIGNING THIS AGREEMENT. THE EMPLOYEE FURTHER ACKNOWLEDGES THAT THE EMPLOYEE'S SIGNATURE BELOW IS AN AGREEMENT TO RELEASE THE COMPANY FROM ANY AND ALL CLAIMS THAT CAN BE RELEASED AS A MATTER OF LAW.

[Signature Page Immediately Follows]

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Execution Date above.

eXp REALTY, LLC (i) by forgiveness of indebtedness owed by the Company to the purchaser;

By: /s/ Glenn Sanford

Name: Glenn Sanford

Title: Chief Executive Officer

EMPLOYEE

(iii) by reducing the number of shares of Stock to be delivered to the Participant upon exercise of the Option or settlement of an Award, with the reduction valued on the basis of the aggregate Fair Market Value on the Date of Exercise or purchase of the additional shares of Stock that would otherwise have been delivered to the Participant upon the Option exercise or Award settlement;

Signature: (iv) by the delivery, concurrently with such exercise and in accordance with Regulation T promulgated under the Securities Exchange Act of 1934, or any successor rule or regulation, of a properly executed exercise notice for the Option and irrevocable instructions to a broker promptly to deliver to the Company to pay the exercise price a specified amount of the proceeds of a sale of the Option shares or loan secured by the Option shares;

Name:
Shoeb
Ansari

(v) by waiver of compensation due or accrued to the Participant for services rendered or to be rendered to the Company or a Parent or Subsidiary of the Company; and/or

(vi) by any combination of the foregoing or by other means determined by the Board to be consistent with this Plan's purposes.

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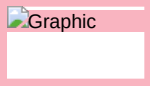


Exhibit 10.3

Independent Contractor Agreement

THIS INDEPENDENT CONTRACTOR AGREEMENT (this "ICA") is made and entered into Subject to any Board approval requirements or other limitations under applicable laws, the Board may also assist any Participant in the payment for Shares by and between authorizing a loan from the undersigned real estate licensee ("Agent"), and Company, permitting the applicable eXp entity¹ licensed as Participant to pay the exercise price or purchase price in installments or authorizing a real estate brokerage company in Agent's state(s) of licensure ("eXp"). This ICA shall become effective (the "Effective Date"), as follows: (1) when electronically signed guarantee by the last of the Parties to electronically sign this ICA (if this ICA is to be Agent's original Independent Contractor Agreement with eXp), or (2) as provided in Section 14, below (if this ICA is to be a revision to a former version of Agent's Independent Contractor Agreement with eXp). eXp and Agent may be referred to hereinafter individually as a "Party," and collectively as the "Parties."

BACKGROUND

- A. Agent is a real estate licensee in their state(s) of licensure.
- B. eXp is a cloud-based real estate brokerage company doing business in Agent's state(s) of licensure.
- C. The Parties mutually desire for Agent to become affiliated with eXp as a real estate licensee in Agent's state(s) of licensure, all in accordance with the terms and conditions set forth in this ICA.

AGREEMENT

NOW THEREFORE, in consideration for the above recitals, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Parties agree as follows:

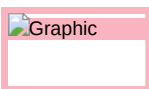
1. **Real Estate Brokerage Services.** During the Term (defined below), Agent will perform real estate brokerage services ("Services") on behalf of eXp for the benefit of eXp's clients. Such Services will include those services customarily performed by real estate brokerage licensees in Agent's state(s) of licensure, as well as such other activities as set forth in eXp's Policies (defined below) or as requested or required by eXp.

2. **Independent Contractor Relationship.**

a. **Not an Employee.** This ICA shall establish an independent contractor relationship between Agent, as the service provider, and eXp, as the service recipient. Agent's role under this ICA shall be that Company of a "qualified real estate agent," as that term is defined in Section 3508 of the Internal Revenue Code, and Agent shall have that title as granted to them by the license that Agent holds (e.g., salesperson, associate broker, broker, qualifying broker, principal broker, etc.). Nothing within this ICA shall be construed to create a joint venture, partnership, employer-employee relationship, or other relationship between the Parties. Agent will not be treated as an eXp employee for any purposes under this ICA. Agent is not entitled to any of the benefits that eXp may make available to its employees, including, without limitation, group health or life insurance, retirement benefits, or any other fringe benefits. Agent is solely responsible for, and eXp is not responsible for, withholding and paying any income, payroll, Social Security, and other federal, state, and local taxes, and making any insurance contributions (including unemployment and disability), and obtaining workers' compensation insurance on Agent's own behalf. Agent is free to devote such portion of Agent's time, energy, effort, and skill, as Agent sees fit, to establish and grow Agent's real estate brokerage business. Agent is not required to keep definite office hours, attend sales meetings, or adhere to sales quotas. Agent does not have mandatory duties except those specifically set out in this ICA, and in other documents incorporated by reference into this ICA. Agent agrees not to, and Agent irrevocably waives any and all rights to, claim or assert, or to support any third-party claim or assertion of, the existence of an employer/employee relationship as between eXp and Agent.

b. **Agent Expenses.** Unless expressly provided third party loan to the contrary in this ICA, or in eXp's Policies, Agent is responsible for bearing all costs related to being a real estate licensee. Such costs include, without limitation, each of the following: REALTOR® dues; multiple listing service ("MLS") dues; cell phone expenses; business card expenses; sign expenses; sign-post expenses; advertising expenses; personal branding expenses; continuing education expenses; licensing expenses; printing, copying, Participant, and faxing expenses; digital

¹ eXp Realty, LLC (in all states except those that follow); eXp Realty of California, Inc. (in California); eXp Realty of Northern California, Inc. (in northern California); eXp Realty of Greater Los Angeles, Inc. (in central California); eXp Realty of Southern California, Inc. (in southern California); eXp Realty North, LLC (in N. Dakota, Minnesota, and portions of New York, except as further qualified); eXp Realty of Connecticut, LLC (in Connecticut, and Brooklyn, New York); eXp Realty Associates, LLC (in Brooklyn, mid-town, and downtown, New York City), and eXp Realty of Charlotte Metro NC, LLC, eXp Realty of Northwest NC, LLC, eXp Realty of Northeast NC, LLC, eXp Realty of Piedmont NC, LLC, eXp Realty of Southeast NC, LLC, and eXp Realty of Triangle NC, LLC (in North Carolina).



camera, computer(s), and related hardware or software expenses; printer/scanner/fax equipment expenses; high-speed internet expenses; automobile expenses; auto insurance fees; individual errors and omissions insurance premiums and deductibles, where such insurance is required by applicable law; any other personal

or business insurance coverage premiums and deductibles for coverage that Agent deems prudent or necessary in the operation of Agent's business; local, state, federal and municipal taxes of any kind; and any and all government, regulatory, or agency licensure, compliance fees and expenses.

c. **Workers' Compensation Insurance Coverage.** Unless otherwise required under applicable law, as an independent contractor, Agent shall acquire for himself or herself and any employees of Agent such workers' compensation insurance coverage in such amounts as Agent deems appropriate, but in no event less than minimum coverage amounts required by applicable law. Agent shall name eXp Realty, LLC, and its subsidiaries, successors, and assigns (collectively, the "eXp Additional Insureds") as additional insureds on any such workers' compensation insurance policy. Agent shall also obtain a "waiver of subrogation" endorsement from the workers' compensation insurer in favor of the eXp Additional Insureds. Agent shall, upon written request, provide evidence of the above referenced insurance coverage for any policy of workers' compensation insurance that Agent obtains on their own behalf.

3. **Agency Relationships.** All real estate brokerage relationships established for any real estate transactions, regardless of agency status, exist solely as between eXp and the client (or customer), and not as between Agent and the client (or customer). Agent provides real estate services to the client (or customer) on eXp's behalf; all listings taken by Agent in connection with eXp's business are and remain the separate and exclusive property of eXp, and not of Agent. During the Term of this ICA, Agent shall diligently carry out Agent's duties on behalf of eXp with all reasonable skill, care, and diligence as expected of a licensed real estate professional in Agent's state(s) of licensure.

4. **Compensation; eXp Fees.** Agent shall be compensated according to the below referenced commission split, and in that manner as more fully described in the eXp Realty U.S. Policies and Procedures (the "eXp P&Ps") (See: www.exprealty.com/policies). In addition, eXp provides opportunities to eligible eXp real estate licensees to obtain shares of eXp World Holdings, Inc. common stock (Nasdaq: EXPI) through (i) the Agent Equity Program, in which eXp real estate licensees must opt-in in order to participate and agree to the terms and conditions of any such loan, installment sale or guarantee will be determined by the Board.

10. WITHHOLDING TAXES.

10.1 Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan, the Company may require the Participant to remit to the Company, or to the Parent or Subsidiary employing the Participant, an amount sufficient to satisfy applicable U.S. federal, state, local and international withholding tax requirements or any other tax liability legally due from the Participant prior to

the delivery of Shares pursuant to exercise or settlement of any Award. Whenever payments in satisfaction of Awards granted under this Plan are to be made in cash, such payment will be net of an amount sufficient to satisfy applicable U.S. federal, state, local and international withholding tax requirements or any other tax liability legally due from the Participant.

10.2 Stock Withholding. The Board, in its sole discretion and pursuant to such procedures as it may specify from time to time and to limitations of local law, may require or permit a Participant to satisfy such tax withholding obligation or any other tax liability legally due from the Participant, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable cash or Shares having a Fair Market Value up to the maximum statutory amount required to be withheld, or (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the minimum amount required to be withheld.

11. **TRANSFERABILITY.** An Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. Notwithstanding the foregoing, the Board may determine that program, an Award, other than an ISO, may be transferred to a Permitted Transferee, upon such additional terms and conditions as the Board deems appropriate. All Awards shall be exercisable: (i) during the Participant's lifetime only by (a) the Participant, or (b) the Participant's guardian or legal representative; (ii) after the Agent Growth Incentive Program, which is available to all eXp real estate licensees Participant's death, by the legal representative of the Participant's heirs or legatees; and no opt-in step is required, both of which are administered under the 2015 Equity Incentive Plan (the "Plan"). If interested, Agent should visit the eXp Agent Shareholder Hub at <https://exprealty.com/agentstock> for details and participation information. Agent shall pay to eXp those fees, in those amounts, as described under the eXp P&Ps ("eXp Fees"); except as otherwise provided (iii) in the eXp P&Ps, eXp Fees shall be paid in accordance with Agent's preferred payment method then on file with eXp, whether that is in case of all Awards except ISOs, by a Permitted Transferee.

12. PRIVILEGES OF STOCK OWNERSHIP; RESTRICTIONS ON SHARES.

12.1 Voting and Dividends. No Participant will have any of the form rights of a draw against Agent's checking account as then stockholder with respect to any Shares until the Shares are issued to the Participant, except for any dividend equivalent rights permitted by an applicable Award Agreement. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares.

12.2 Restrictions on file with eXp, Shares. At the discretion of the Board, the Company may reserve to itself and/or charging Agent's debit its assignee(s) a right to repurchase (a "Right of Repurchase") a portion of any or credit card as then on file with eXp. Agent shall be automatically enrolled in eXp's Sustainable Revenue Share all Shares held by a Participant following such Participant's Termination at any time after the later of the Participant's Termination Date and the date the Participant purchases Shares under this Plan, which shall be governed by those terms set forth in the eXp P&Ps.

a. Commission Split. Agent shall be entitled to a commission on for cash and/or cancellation of purchase transactions, sales transactions, rental/lease transactions, broker price opinions ("BPOs"), and referrals (each, a "Transaction," collectively, "Transactions") as follows: income retained by eXp after referrals, but prior to commission split ("Gross Commission Income"), shall be split money indebtedness, at the rate of 80% to Agent ("Contractor Dollar") and 20% to eXp ("Company Dollar") on all Transactions closed by Participant's Purchase Price or Exercise Price, as the Agent. Should any Transaction case may be.

13. CERTIFICATES. All Shares or other securities whether or not certificated, delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Board may deem necessary or advisable, including restrictions under any applicable U.S. federal, state or foreign securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Shares may be listed or quoted and any non-U.S. exchange controls or securities law restrictions to which the Shares are subject.

14. ESCROW; PLEDGE OF SHARES. To enforce any restrictions on a Participant's Shares, the Board may require the Participant to deposit all certificates representing Shares, together with stock powers or other instruments of transfer approved by the Board, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated, and the Board may cause a legend or legends referencing such restrictions to be placed on the certificates. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of the Participant's obligation to the Company under the promissory note; provided, however, that the Board may require or accept other or additional forms of collateral to secure the payment of such obligation. In connection with any pledge of the Shares, the Participant will be required to execute and deliver a written pledge agreement in such form as the Board will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

15. SECURITIES LAW AND OTHER REGULATORY COMPLIANCE. An Award will not be effective unless such Award is in compliance with all applicable U.S. and foreign federal and state securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates for Shares under this Plan prior to: (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and/or (ii) completion of any registration or other qualification of such Shares under any state or local taxes, federal or foreign law or ruling of any governmental body that the 80%/20% commission split Company determines to be necessary or advisable. The Company will be calculated after under no obligation to register the tax is deducted. Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any foreign or state securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

b. Onboard Date; Anniversary Date. Agent's onboard date ("Onboard Date") shall 16. NO OBLIGATION TO EMPLOY. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the later employ of, (a) Agent's "Join Date" (the date eXp verifies Agent's email address and Agent becomes active in Enterprise), or (b) to continue any other relationship with, the date on which Agent's real estate license is transferred to eXp. Agent's anniversary date ("Anniversary Date") shall be the first day Company or any Parent or Subsidiary of the calendar month following Agent's Onboard Date with eXp. So, for example, if Agent's Onboard Date is January 18, 2022, then Agent's Anniversary Date will be February 1, 2022.

c. Company Dollar Cap; Capping Period; Cap Reset Date; and Anniversary Year. Agent's "Capping Period" is a consecutive twelve (12) calendar month period during which time or limit in any way the amount right of Company Dollar collected on Agent's Transactions is accrued towards the Company Dollar Cap. The term "Company Dollar Cap" means that once the amount or any Parent or Subsidiary of Company Dollar received from Agent's closed Transactions reaches \$16,000 (the \$16,000 amount being commonly referred to as a "Full Cap") within Agent's Capping Period, eXp will no longer collect the Company Dollar portion of the

commission split and the Agent will thereafter be considered to be in a "Capped Status" until the expiration of the then-current Capping Period. The "Cap Reset Date" is the date upon which each new Capping Period begins and the amount of Company Dollar paid by Agent that has accrued towards the Company Dollar Cap will reset to zero. The Cap Reset Date for Agent will be the same as Agent's Anniversary Date, except as otherwise expressly agreed to the contrary by separate written addendum to this ICA. Agent's anniversary year ("Anniversary Year") shall begin on Agent's Anniversary Date with eXp and end on the day immediately preceding the next Anniversary Date. So, for example, if Agent's Onboard Date is January 18, 2022, then Agent's Anniversary Date would be February 1, 2022 and Agent's Anniversary Year will run from February 1, 2022 through January

 Graphic

31, 2023, and continue for the same period each year thereafter. Except as otherwise expressly agreed to the contrary, an Agent's Capping Period will directly overlap with Agent's Anniversary Year.

5. **Term.** This ICA shall remain valid until one of the Parties terminates the ICA, pursuant to Section 6, below.

6. **Termination.** Either Party may terminate this ICA, for any reason or no reason. The date this ICA shall be deemed terminated (the "Offboard Date") shall be as follows: (i) the date that eXp's notice of termination is delivered (when eXp is the terminating party); (ii) the date that Agent provides a notice of termination to eXp (when Agent is the terminating party); or (iii) the date eXp is made or otherwise becomes aware that Agent has terminated their relationship with eXp (when Agent fails to notify eXp of their termination). From and after the Offboard Date, Agent shall refrain from using any and all eXp sales materials or similar items that bear the name, logos, registered trademarks, or inscription of eXp, in any manner whatsoever.

a. **Continued Billing When Agent Terminates.** NOTWITHSTANDING THE FOREGOING, AND IN RECOGNITION OF THE INHERENT COMPLEXITY ARISING FROM EXP'S SERVICING TENS OF THOUSANDS OF REAL ESTATE AGENTS ACROSS THE WORLD, AND THE CORRESPONDING, SOPHISTICATED BILLING SYSTEMS THAT HAVE BEEN ESTABLISHED TO SERVICE THOSE REAL ESTATE AGENTS, AGENT ACKNOWLEDGES AND IRREVOCABLY AGREES THAT WHEN AGENT IS THE TERMINATING PARTY, IF AGENT DOES NOT PROVIDE THE APPROPRIATE ADVANCE NOTICE OF TERMINATION TO EXP, AS OUTLINED IN THIS SECTION 6, AGENT BILLING MAY, AND LIKELY WILL, CONTINUE FOR A LIMITED PERIOD OF TIME FOLLOWING AGENT'S OFFBOARD DATE.


[Agent's Signature Here]

b. **To Stop Continued-Billing.** To ensure that continued billing stops as close to Agent's Offboard Date as possible (when Agent is the terminating Party), Agent should provide eXp with not less than thirty (30) days' advance written notice of Agent's intent to terminate which notice shall be deemed delivered to, and received by, eXp upon Agent's completion and submission of the eXp Agent Offboard Notice online form (the "Offboard Notice"), available Participant's employment or other relationship at www.exprealty.com/offboardnotice and in the eXp P&Ps. Upon Agent's electronic submission of his or her Offboard Notice, Agent will receive an automated email response representing eXp's acknowledgment of receipt of Agent's Offboard Notice. This automated email acknowledgment ("Offboard Acknowledgment") will be delivered to that email address supplied by Agent on Agent's Offboard Notice. Agent is strongly encouraged to retain his or her Offboard Acknowledgment in the event there is ever a dispute over whether or when Agent's Offboard Notice was submitted to eXp.

c. **Agent Payment Obligations After Termination.** any time.

17. CORPORATE TRANSACTIONS.

In the event of termination (i) the dissolution or liquidation of this ICA, the Company, (ii) a reorganization, merger or consolidation as a result of which the Company is not the surviving entity or as a result of which the outstanding shares of Stock are changed into or exchanged for cash, property or securities not of the Company's issue, except for a merger or consolidation with a wholly-owned subsidiary of the Company or a transaction effected primarily to change the state of the Company's incorporation, or (iii) a sale or other transfer in one or a series of transactions of all prepaid fees and prepaid dues or substantially all of the assets of the Company, or of more than fifty percent (50%) of the voting stock of the Company then outstanding, to any person or entity or to persons or entities which are non-refundable affiliated or acting in concert with respect to Agent; all billable items invoiced to Agent prior to Agent's Offboard Date such sale or transfer (each, a "Change in Control"), the Board may, but shall remain due and payable by Agent, and eXp may bill Agent for such items as provided not be obligated to:

- (a) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of an Award;
- (b) cancel Awards for fair value (as determined by the Board) which, in the case of Options may equal the excess, if any, of the per share value of the consideration to be paid in the Change in Control transaction for Common Stock over the Exercise Price of such Options (or, if such Exercise Price is greater than the consideration paid in the Change in Control transaction, the Board may cancel such Options for no consideration);
- (c) provide for the assumption of Awards or the issuance of substitute Awards that will substantially preserve the otherwise applicable terms of any affected Award previously granted hereunder as determined by the Board;
- (d) provide advance notice of such Change in Control transaction to holders of Options, after which any Options not exercised prior to such Change in Control may be cancelled; or
- (e) cancel Awards (whether vested or unvested).

Any Award granted under this ICA.

7. **eXp's Policies and Procedures.** In addition to Plan shall automatically terminate upon the terms closing of this ICA, Agent shall abide by all policies and procedures established by eXp, including, without limitation, (a) the eXp P&Ps, (b) eXp's state-specific policies and procedures a Change in effect in those state(s) of Agent's licensure (the "State P&Ps"), (c) any additional eXp policies and procedures wherever situated, whether or not referenced or hyperlinked in the eXp P&Ps or any State P&Ps (the "Additional P&Ps"), and (d) any and all revisions to any of the foregoing. The eXp P&Ps, State P&Ps, Additional P&Ps, together with any and all revisions thereto shall hereinafter collectively be referred to as "eXp's Policies." Given that eXp's Policies constitute a part of this ICA, any revisions to eXp's Policies Control, unless provision shall be made in accordance connection with Section 14, below.EACH OF EXP'S POLICIES COMPRISE AN INTEGRAL AND MATERIAL PART OF THIS AGREEMENT, AND EACH ARE EXPRESSLY INCORPORATED BY THIS REFERENCE INTO THE AGREEMENT IN THEIR ENTIRETY, VERBATIM AND AT LENGTH, AND EACH CONSTITUTE A PART OF THIS AGREEMENT AS THOUGH FULLY SET FORTH HEREIN.

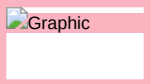
[Agent's Signature Here]

8. **Agent's Representations** such Change in Control for the assumption of the Award by, or the substitution for such Award of a new Award covering the stock or other equity securities of, the surviving, successor or purchasing entity or a parent or subsidiary thereof, with appropriate adjustments as to the number and Warranties kind of shares or other securities or property to eXp. Agent represents be issued upon exercise of the Award and warrants to eXp that the statements contained exercise price, as applicable. This paragraph shall not restrict the Board from permitting or requiring other accelerations of vesting upon transactions described in this Section 8 are paragraph or will be true and correct as any other acquisitions of the Onboard Date (not to be confused with the Effective Date), and shall remain true and correct during the Term:

- a. Agent is duly licensed as a real estate licensee in the following state(s), having the following license number(s):

PRIMARY STATE	LICENSE NUMBER

the Company's shares or business or changes in control of the Company or any other event. The treatment of Awards upon a Change in Control need not be uniform among Awards or Participants.



NON-PRIMARY STATE(S) (if applicable)	LICENSE NUMBER(S)

(If Agent is licensed and affiliated with eXp Notwithstanding anything in more than one state, no additional ICA is required. In such event, one eXp authorized representative from each state in which Agent is licensed is this Section 17 to sign this ICA on behalf of eXp.)

b. Agent has and shall maintain in effect all licenses, permissions, authorizations, consents, and permits, at Agent's own expense, required to lawfully carry out Agent's obligations the contrary, if a payment under this ICA;

c. Agent possesses the requisite skill, experience, and qualifications to perform the Services;

d. Agent is not restricted by, or subject to, any agreement (such as, but not limited to, a non-compete agreement or a non-solicitation agreement), order, or restriction that would in any way prevent, prohibit, or impair Agent's ability to perform his or her duties under this ICA; Agent acknowledges that if Agent was or an Award Agreement is subject to any contract, including a franchise Section 409A of the Code and if the change in control definition contained in the Award Agreement or other written agreement any non-compete agreement or non-solicitation agreement, or covenant from a previous brokerage, that Agent has not and will not violate that contract, covenant or agreement or put eXp at risk of liability by violating it;

e. Agent has the legal power, right, and authority to bind himself or herself related to the terms and conditions set forth Award does not comply with the definition of "change in this ICA, and to perform all Services provided control" for purposes of a distribution under Section 409A of the Code, then any payment of an amount that otherwise is accelerated under this ICA;

f. Agent is in compliance with, and shall continue to comply with, (i) eXp's Policies; (ii) all applicable laws, rules, and regulations when providing Section 17 will be delayed until the Services; and (iii) all rules of conduct as established by each applicable state's department of real estate (or earliest time that such analogous agency having a different name) ("Department of Real Estate"), MLS rules of that multiple listing service to which Agent belongs, and the National Association of REALTORS® Code of Ethics and any additional rules or code of ethics adopted by a state or local Association of REALTORS® to which Agent belongs;

g. Agent is either, (1) not the subject of any civil or criminal proceeding, any civil judgment or criminal conviction, or any disciplinary action or administrative or private party ruling against Agent; OR, (2) the subject of any payment would be permissible under Section 409A of the foregoing but has disclosed all material facts and provided all supporting documentation to Agent's Designated Managing Broker or Managing Broker(s);

h. Agent has access to, and knows how to access, each of eXp's Policies (See: www.exprealty.com/policies); Agent has reviewed each of eXp's Policies; Agent has had the opportunity to ask eXp questions concerning eXp's Policies; and Agent understands and agrees to abide by eXp's Policies and any/all revisions thereto;

i. Agent has had the opportunity to seek the advice of their own legal counsel concerning this ICA and eXp's Policies prior to entering into this ICA;

j. Agent understands that eXp and Agent's Designated Managing Broker and Managing Broker(s) will each rely on the accuracy, completeness, and competence of Agent's Services, as performed Code without triggering any penalties applicable under this ICA, in fulfilling eXp's contractual commitments to the public; and

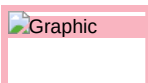
k. Agent accepts that termination of this ICA, by either Party, could result in a significant financial loss to Agent.

[Agent's Signature Here]

9. Agent's Additional Covenants to eXp.

a. Licensed Activities. Agent will not perform any licensed real estate brokerage activities on behalf of eXp unless, (i) Agent's real estate license is affiliated with (i.e., "hung with") eXp in the state(s) where Agent intends to perform such licensed activities; and (ii) Agent's real estate license in that state is active and in good standing at the time that Agent performs such licensed activities.

b. Notification; Cooperation. If Agent receives notice of any actual, anticipated, or threatened Civil or Administrative Action (defined below), or mediations or demand letters, concerning or involving Agent, either directly or indirectly, Agent shall immediately notify Agent's Designated Managing Broker and Managing Broker(s). Moreover, in such instances, Agent agrees to fully cooperate, in good faith, and assist eXp, Agent's Designated Managing Broker and Managing Broker, eXp's Legal Operations



Department, and/or eXp's comprehensive errors and omissions insurance carrier ("Carrier") in defending against such matters until they are resolved by providing documents, testimony and any other items or information that may be needed by or on behalf of eXp. Agent's breach of this provision shall constitute a material breach of this ICA. The term "Civil or Administrative Action" as used in this ICA means lawsuits (including any appeals), small claims actions, chancery actions, equitable actions, arbitration actions, or administrative complaints (such as before a Department of Real Estate, Attorney General's Office, Department of Housing and Urban Development, Consumer Protection Financial Bureau, MLS, or any REALTOR® association).

c. **Enterprise.** Agent will enter Agent's personal contact information (including mailing address, email address, and telephone number), and Agent's emergency contact's information (including name, relationship to Agent, mailing address, email address, and telephone number) into the eXp Enterprise system ("Enterprise"). Agent is solely responsible for keeping all such information current in Enterprise throughout the Term. eXp will rely upon the information provided by Agent, in Enterprise, as being true, correct, and complete. Any failure by Agent to provide or maintain the most current information in Enterprise shall not affect the validity of any notice from eXp to Agent; Agent's failure to provide or maintain the most current information in Enterprise shall not serve as a defense by Agent to any notice delivered by eXp in accordance with [Section 11](#), below. Agent, following his/her Onboard Date, may access the eXp Enterprise system sign-in page at www.expenterprise.com; if Agent is unable to log-in to eXp Enterprise, Agent may contact support@exprealty.com for assistance.

d. **Text Messaging.** eXp may send text messages to any telephone numbers Agent enters into Enterprise for the purpose of, (i) fulfilling eXp's reasonable supervision and control responsibilities, as required by applicable law; (ii) communicating with Agent in matters concerning Agent's affiliation with eXp (such activities include, without limitation, real estate licensing matters, transaction matters, transaction file matters, and matters pertaining to eXp Fees); and (iii) routing client leads to Agent in connection with any eXp lead generation programs in which Agent participates. By entering into this ICA, Agent consents to receiving such text messages from eXp for each 409A of the specified purposes, and Agent agrees that Agent will be responsible for paying any applicable message and data rates for such text messages.

_____. Code.

[Agent's Signature Here]

e. **Sharing of Personal Information.** eXp uses personal information collected about Agent in order to support Agent's continued affiliation with eXp. Such use includes sharing Agent's personal information (such as, for example only, and without limitation, Agent's name, address, email address, phone number, geographic location, and state(s) of licensure) with third-party companies, as more fully provided in the eXp World Holdings, Inc. Privacy Policy and Data Processing Agreement ("Privacy Policy") (See: www.expworldholdings.com/privacy-policy). By entering into this ICA, Agent consents to eXp's sharing of Agent's contact information in the manner described, and Agent agrees to be bound by the Privacy Policy, as may be amended from time to time.

_____.

[Agent's Signature Here]

f. **Affiliate with a Competitor.** During the Term, Agent shall not be affiliated with a competitor to eXp, as more fully set forth in eXp's P&Ps.

g. **Cyber Liability Insurance.** Cyber risk is a serious threat to Agent's business and the consequences of data breaches and wire fraud can be financially disastrous to Agent and/or to any parties to a transaction in which Agent is involved. eXp's cyber liability insurance does not extend to, or cover, any loss or damage, (i) related to any security/data breach or wire/financial fraud that may result in connection with any licensed activity of Agent, or (ii) sustained by any parties to a real estate transaction handled by Agent. Agent is strongly encouraged to obtain cyber liability insurance covering his or her own real estate business.

h. **Automobile Insurance.** eXp does not maintain commercial automobile insurance coverage that extends coverage to Agent or any other independent contractor of eXp. For the duration of this ICA, Agent shall maintain automobile insurance coverage with minimum liability limits of \$100,000 per occurrence, \$300,000 aggregate, and a minimum limit of \$100,000 in property damage coverage. If available from Agent's insurer, Agent shall obtain an additional-insured endorsement to his or her insurance policy and cause his or her insurer to name the eXp Additional Insureds as additional insureds under such policy. The extension of such insurance coverage to the eXp Additional Insureds shall be primary and noncontributory (with respect to losses suffered by eXp). In no event shall the limits of such insurance be considered as limiting the liability of Agent under this ICA and in no event shall the above insurance limits be any indication that such insurance limits are adequate insurance coverage for Agent. Agent shall provide proof of such insurance to eXp upon request.

10. **Errors and Omissions Coverage; Legal Representation Provided; eXp's Settlement Authority.**

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a. **Errors and Omissions Coverage.** eXp carries comprehensive errors and omissions ("E&O") insurance coverage in each state in which eXp conducts business. 18. **ADOPTION AND STOCKHOLDER APPROVAL.** This coverage provides varying degrees of protection against claims solely arising out of eXp's and its real estate agents' performance of Professional Services (as that term is defined in the applicable E&O policy ("E&O Policy")). However, even

though eXp's E&O insurance coverage may typically cover such claims, Agent agrees to defend, indemnify and hold Indemnitees (defined below) harmless against any and all claims, as more fully set forth in [Section 11](#), below. In addition, there may be certain states whose regulatory regimes, and/or in which the terms of eXp's E&O Policy, require an additional state-specific addendum to be executed between eXp and Agent as a condition for there being a possibility of any coverage under the E&O Policy.

b. **Legal Expense Reimbursement; Offset.** eXp reserves the right to seek reimbursement from Agent (the "Legal Expense Reimbursement") in any matter that causes eXp to incur legal fees and/or costs, regardless of whether or not the matter is covered under one or more of eXp's insurance policies. eXp, with the assistance of eXp's Carrier, shall make all determinations as to, 1) the likelihood of coverage under eXp's insurance policies in connection with any actual or potential claim against eXp and/or Agent, and 2) whether a conflict of interest exists between eXp and Agent in relation to any actual or potential claim against eXp and/or Agent. Agent's obligation to reimburse eXp for the Legal Expense Reimbursement is a distinct obligation from Agent's indemnification obligations under [Section 11](#), below; Agent's reimbursement of the Legal Expense Reimbursement, as set forth in this [Section 10.b](#), does not offset, satisfy, release, or otherwise abate Agent's indemnification, defense, and hold harmless obligations under [Section 11](#), below. Even where Agent does not believe the claim or cause of action has merit and/or does not believe any money should be expended in the defense, resolution, or satisfaction of the matter, Agent agrees in advance, by signing this ICA, that he or she will reimburse eXp for the Legal Expense Reimbursement within thirty (30) days of receipt of a request for reimbursement from eXp. Agent may elect to have all or any portion of the Legal Expense Reimbursement withheld from any commissions and/or revenue share payments due Agent in lieu of making payment directly to eXp. However, if Agent does not reimburse eXp directly within the 30-day period then eXp may exercise its rights of reimbursement and offset as set forth under [Section 15](#), below.

c. **Legal Representation Provided.** Except as otherwise provided in this ICA, eXp will provide legal counsel to Agent, at no additional cost to Agent, for the purpose of providing Agent with legal representation in defense of claim(s) filed by a third party against Agent arising from or relating to Agent's performance of the Services, so long as each of the following four conditions are and remain met: (i) eXp's legal counsel (whether through its Legal Operations Department or, if applicable, through eXp's outside counsel) determines that a conflict of interest does not exist between eXp and Agent concerning the subject matter of the lawsuit; (ii) eXp maintains E&O insurance coverage applicable to the subject matter of the Civil or Administrative Action, and each claim asserted therein; (iii) eXp's claim for such E&O insurance coverage is and remains approved by eXp's Carrier, without any reservation of rights by eXp's Carrier; and (iv) this ICA remains in effect and has not been terminated by either Party under [Section 6](#), above. If any of the foregoing conditions are not met, or are no longer met, Agent will be required to retain their own legal counsel at Agent's sole cost and expense, unless a written agreement is entered into between eXp (through its Legal Operations Department) and Agent providing for, among other things, eXp's reimbursement of Agent's attorneys' fees. eXp will not provide legal counsel to Agent for small claims lawsuits, Department of Real Estate complaints, or MLS or REALTOR® association complaints or arbitrations; notwithstanding the foregoing, eXp reserves all rights to make limited exceptions on a case-by-case basis in its sole and absolute discretion. eXp reserves all rights to refrain from providing legal counsel to Agent in any circumstances, all as determined by eXp in its sole and absolute discretion.

d. **eXp's Settlement Authority.** In any actual, anticipated, or threatened Civil or Administrative Action, mediations, or demand, concerning either eXp and/or Agent, eXp shall have the sole discretion and final authority to make decisions concerning whether there is to be a settlement, and if so, the terms thereof. This authority shall exist in all situations except any Civil or Administrative Action, mediations, or demands where claims have been asserted against Agent, but not eXp, and where said claims are outside of the scope of the relationship established under this ICA as between Agent and eXp. eXp may, as a term of settlement or in furtherance of payment agreed to in settlement or otherwise incurred by eXp in connection with any settlement-related activities, exercise its payment, reimbursement, and offset rights as set forth under [Section 15](#), below, to be made whole for amounts paid or advanced by eXp. Agent's refusal to abide by a decision by eXp to settle any actual, anticipated, or threatened Civil or Administrative Action, mediations, or demand, or Agent's refusal to cooperate with eXp in furtherance of the same (and pursuant to [Section 9.b](#), above), may be deemed by eXp to be a material breach of this ICA.

11. **Indemnification.**

a. **Indemnification by Agent.** Agent irrevocably agrees to indemnify, defend, and hold harmless eXp, eXp World Holdings, Inc. ("EXPI"), each of EXPI's subsidiaries, and it's or their respective shareholders, directors, officers, managers, members, employees, agents, representatives, and affiliates (collectively, "Indemnitees"), jointly, severally, and in any combination, for, from and against any and all actual, anticipated, or threatened Civil or Administrative Actions, demands, costs, claims, losses, liabilities, injury, penalties, fees (including document production fees), expenses, damage awards, judgments, settlement amounts, and other damages (including but not limited to court costs, investigation costs, expert witness fees, reasonable attorneys' fees, and other defense costs)

Graphic

(collectively, "Losses"), without any monetary limitation or cap, arising from or relating in any way to any of the following, or any allegation of any of the following: (i) Agent's performance of the Services; (ii) Agent's performance of Professional Services (as that term is defined in eXp's E&O Policy); (iii) Agent's breach of this ICA; (iv) Agent's noncompliance with eXp's Policies; (v) any of Agent's representations or warranties under this ICA being less than true, correct, and complete; (vi) any of the four conditions set forth in [Section 10.c](#), above, not being or no longer being met; (vii) exercise of eXp's settlement authority as set forth in [Section 10.d](#), above; (viii) the refutation of, or any attempt to refute, any of Agent's waivers within this ICA or in eXp's Policies; (ix) any Team Agreement (as such term is

defined in the eXp P&Ps) to which Agent is or was a party; (x) Agent's filing of a Civil or Administrative Action against another real estate licensee affiliated with eXp or any of its subsidiaries (regardless of whether prior written notice is provided to Agent's Managing Broker); (xi) Agent's filing of a Civil or Administrative Action against eXp, EXPI, any of EXPI's subsidiaries, and/or any of its or their respective employees (regardless of whether prior written notice is provided to any of them); (xii) Agent's refusal to abide by eXp's decision concerning settlement of a legal matter; (xiii) Agent's refusal to cooperate with eXp in settlement of any legal matter; (xiv) Agent's infringement of any intellectual property rights of any third party; (xv) Agent's exercise of internet electronic commerce; (xvi) Agent's failure to comply with any laws (including, without limitation, and for example only, the Telephone Consumer Protection Act (TCPA), the Telemarketing Sales Rules (TSR), the California Consumer Privacy Act (CCPA), the Personal Information Protection and Electronic Documents Act (PIPEDA), and both the UK and EEA General Data Protection Regulation (GDPR), and any of their respective implementing rulings and regulations, as applicable); (xvii) Agent's failure to pay any taxes or tariffs; and (xviii) Agent's use of technology, regardless of whether it was independently obtained by Agent, or provided or offered by or through eXp or any of its affiliated vendors, that is intended to or results in a phone call, text message, or other similar communication sent to any other party. Under no circumstance shall Agent control the defense in any actual, anticipated, or threatened Civil or Administrative Actions; such right of control shall at all times be and remain with Indemnitees, regardless of whether, or to what extent, Indemnitees enforce the financial aspects of Agent's defense obligations. For avoidance of doubt, the term "control the defense" includes, without limitation, actions such as selecting counsel, developing legal strategy, negotiating settlements, and entering settlement agreements.

b. **Insurance Remedies.** eXp may tender a claim for insurance coverage to its Carrier and simultaneously or successively seek indemnification from Agent for the same matter, as determined in eXp's sole and absolute discretion. See [Section 16](#), below, for further details concerning eXp's cumulative remedies.

c. **Agent's Defense Obligations.** Agent's defense obligations under this [Section 11](#), shall be subordinate to any defense provided to any Indemnitees under any applicable eXp policy of insurance of.

12. **Notice.** Except as expressly provided to the contrary under this ICA, all notices under this ICA (each, a "notice", and with the correlative meaning "notify") shall be in writing and shall be deemed delivered only if sent via email to the applicable Party's email address, as set forth below, in which case notice shall be deemed delivered upon electronically confirmed receipt provided that email notices that are not released before 5:00 p.m. (in the recipient's time zone) shall be deemed delivered upon the commencement of the following day. A notice is effective only upon delivery to the receiving Party.

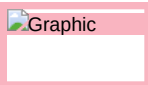
If to Agent: (As specified by Agent in Enterprise)

If to eXp: legal@exprealty.net

13. **Limitation of eXp Liability.** EXCEPT AS IT PERTAINS TO ANY FEES, COMMISSIONS, REVENUE SHARING, AND/OR OTHER COMPENSATION OWED BY EXP TO AGENT UNDER THIS AGREEMENT OR ANY OF EXP'S POLICIES (SUBJECT TO OFFSET AND DEDUCTION AS PROVIDED ELSEWHERE IN THIS AGREEMENT OR IN ANY OF EXP'S POLICIES), EXP'S AGGREGATE LIABILITY TO AGENT UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNT OF COMPANY DOLLAR THAT AGENT HAS PAID DURING THAT TWELVE (12) CONSECUTIVE MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST EVENT GIVING RISE TO ANY LIABILITY, BUT IN NO EVENT EXCEEDING \$16,000. IN NO EVENT SHALL EXP BE LIABLE TO AGENT UNDER ANY CIRCUMSTANCES FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFIT, REVENUE, BUSINESS OPPORTUNITY OR BUSINESS ADVANTAGE), WHETHER BASED UPON A CIVIL OR ADMINISTRATIVE ACTION IN TORT, CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION, INDEMNITY, OR ANY OTHER LEGAL THEORY OR CAUSE OF ACTION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

14. **Revisions.** If this ICA is to be a revision to a former version of Agent's Independent Contractor Agreement that was signed (or otherwise acknowledged in writing), by Agent, then this ICA shall become effective, as provided below.

a. **Revisions By Passing of Time.** In states where permitted, this ICA (inclusive of eXp's Policies) may be revised by the passing of time, only as follows: (i) eXp will generate and deliver any proposed revision of material significance (a "Proposed Revision") to Agent, via email only, to Agent's email address as then reflected in Enterprise; (ii) Agent will have seven (7) calendar days following delivery of eXp's Proposed Revision to object to eXp's Proposed Revision (the "Revision Objection Period") by directing such



objections to compliance@exprealty.net; (iii) if Agent does not object to the Proposed Revision during the Revision Objection Period, then Agent is deemed to have accepted the Proposed Revision, and such Proposed Revision shall become binding immediately and automatically upon the passing of the Revision Objection Period; (iv) if Agent objects during the Revision Objection Period then eXp reserves the right, in its sole discretion, to terminate this ICA. Agent agrees to timely review any Proposed Revision prior to expiration of the Revision Objection Period. It is Agent's responsibility to remain informed of and in compliance with his or her responsibilities and obligations under the most current version of this ICA (inclusive of eXp's Policies).

b. Revisions By Written Consent. In those states where revisions by the passing of time are prohibited, then no materially significant revision to, or materially significant modification of, this ICA (inclusive of eXp's Policies) will be binding on the Parties unless in writing and signed by the Parties. If Agent objects to a Proposed Revision and refuses to sign the revision, then eXp reserves the right, in its sole discretion, to terminate this ICA.

c. Meaning of "Material Significance". The terms "material significance" and "materially significant," as used in Section 14, above, mean anything that, (i) increases Agent's obligations and/or burdens, or (ii) reduces the rights and/or benefits to be received by Agent under the terms of this ICA.

15. eXp Right to Payment; Agent's Payment Methods.

a. eXp Right To Payment. eXp has the irrevocable right to seek payment or reimbursement, as applicable, from Agent in connection with Agent's eXp Fees under Section 4 of this ICA, Agent's Legal Expense Reimbursement obligations under Section 10 of this ICA, settlement obligations under Section 10 of this ICA, and Losses under Section 11 of this ICA, in addition to each of those items expressly referenced elsewhere in this ICA, in any addenda to this ICA, and/or within eXp's Policies, plus all accruing late fees and interest charges (if any) (collectively, "Amounts Owed To eXp"). Payment or reimbursement of Amounts Owed To eXp may be obtained by eXp, through any (or any combination) of the following methods: (i) offset against any fees, commissions, revenue share earnings, or other compensation, or any combination thereof, owed by eXp to Agent; and (ii) using Agent's payment methods then on file with eXp. Amounts of \$500 or less that are owed by Agent to eXp at any time (whether during or following the termination of Agent's ICA) will automatically be charged to or debited from Agent's payment method(s) then on file with eXp, with no advance notice to be provided to Agent.

b. Agent's Payment Methods. Agent's initial payment methods for fees, billings, commission reimbursements, charge-backs, fees agreed to be paid by Agent on behalf of others, etcetera, are as provided in the Credit Card and Checking Account (ACH) Authorization Form (the "Authorization Form"). Following Agent's Onboard Date and for the remainder of the Term, Agent shall be solely responsible for ensuring that his or her payment methods remain current in eXp's system, whether such payment methods are updated through Agent's subsequent use of the Authorization Form, or through Agent's use of eXp's electronic payment portal (accessible by Agent through Enterprise). Agent hereby authorizes eXp Realty to use Agent's then-current payment methods for payment of all sums to be paid by Agent to eXp Realty under this ICA (inclusive of the eXp P&Ps).

16. Cumulative Remedies. The rights or remedies of eXp as provided in this ICA, in any of eXp's Policies, and as otherwise available at law or in equity, shall be cumulative and concurrent, and are not exclusive, and such rights or remedies may be pursued singularly, successively, or together against Agent at eXp's sole and absolute discretion. Agent agrees that eXp may not have any adequate remedies at law, and understands and agrees that eXp reserves all rights to seek any and all available equitable remedies, in addition to or instead of any and all available legal remedies. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release of said rights or remedies or of the rights to exercise them at any later time. eXp shall have no obligation to exercise one right or remedy before exercising any other right or remedy.

17. Sponsor. Agent was most influenced to join eXp by _____ (insert name) who is situated in _____ (city), _____ (state) ("Sponsor") and selects this individual to be Agent's eXp sponsor. Agent is aware that Sponsor has no binding authority on behalf of eXp as it pertains to establishing or modifying the terms of any relationship between Agent and eXp, and this ICA overrides any and all verbal or written representations made by Sponsor to the contrary. Upon execution of this ICA, Agent's selection of Sponsor as Agent's eXp sponsor shall be permanent and may not be changed (except as otherwise expressly provided in the eXp P&Ps). Agent may obtain more information about the important meaning of sponsorship by viewing the eXp Sponsorship video available at www.exprealty.com/sponsorship.

a. Sponsor Selection in Revenue Share Plan. Selecting a sponsor is an important decision and should be based on who has been most influential in Agent's decision to join eXp. Sponsor selection is part of this ICA.

b. Sponsor Requirement. A sponsor's sole requirement to qualify as a sponsor is selection by the joining agent (in this case, Agent) as having been the most influential person in the joining agent's decision to join eXp. Sponsors are encouraged to

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support joining agents throughout the joining process and beyond, but are not required by eXp to do so. If Agent's Sponsor has made representations or promises above and beyond referring a joining agent to eXp, it is the sole responsibility of Agent to confirm Sponsor's ability and intent to deliver all additional support promised. eXp is not responsible for enforcing agreements between agents made outside of this ICA.

c. Continuation of Original Sponsor. If this ICA is terminated in accordance with Section 6, above, and if Agent rejoins eXp within one hundred eighty (180) days following Agent's Offboard Date (the "Original Sponsor Window"), then Sponsor (identified above) will continue to serve as Agent's sponsor when Agent rejoins eXp. However, and except as may otherwise be provided in the eXp P&Ps, if Agent rejoins eXp following the Original Sponsor Window, then Agent may select a new sponsor when rejoining eXp.

d. eXp as the Sponsor. If there is no individual who most influenced Agent to join eXp, or Agent prefers not to select a sponsor for any reason, then eXp will be and be deemed as Agent's Sponsor, and eXp will hold that position going forward.

e. **THE FOREGOING SPONSOR SELECTION BY AGENT IS A SIGNIFICANT DECISION WHICH IS IRREVOCABLE. AGENT IS ENCOURAGED TO PAUSE TO CAREFULLY CONSIDER WHO IS THE MOST INFLUENTIAL IN AGENT'S DECISION TO JOIN EXP. CHANGES IN SPONSORSHIP WILL NOT BE MADE. IF THERE ARE ANY UNANSWERED QUESTIONS ABOUT SPONSORSHIP, AGENT SHOULD STOP NOW AND RETURN TO THE AGREEMENT ONCE THE SELECTION OF SPONSORSHIP IS FULLY CONSIDERED AND UNDERSTOOD.**

[Agent's Signature Here]

18. Binding Arbitration; Jury and Class Action Waiver.

a. Any dispute, controversy, or claim arising out of or related to this ICA or any breach or termination of this ICA, including but not limited to performance of the Services, and any alleged violation of any federal, state, or local statute, regulation, common law, or public policy, whether sounding in contract, tort, or statute, shall be submitted to and decided for the approval of the Company's stockholders, consistent with applicable laws, within twelve (12) months before or after the date this Plan is adopted by binding arbitration. Arbitration shall be administered by JAMS and held either virtually or in King County, Washington before a single arbitrator, in accordance with the JAMS rules, regulations, and requirements. Any arbitral award determination shall be final and binding upon the Parties. Judgment Board.

19. **TERM OF PLAN/GOVERNING LAW.** Unless earlier terminated as provided herein, this Plan will become effective on the arbitrator's award may be entered in any court of competent jurisdiction. However, eXp may, at its election, choose to bring any claim or cause of action against Agent, by counterclaim, cross claim, third-party complaint, or otherwise, in a pre-existing civil action where it would otherwise be appropriate to assert such a claim, in lieu of commencing arbitration as described herein. Additionally, in the event eXp seeks injunctive relief that binding arbitration would not have the authority to award, eXp may assert such claims through an appropriate civil action.

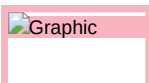
b. Arbitration shall proceed only on an individual basis. The Parties waive all rights to have their disputes heard or decided by a jury or in a court trial and the right to pursue any class or collective claims against each other in court, arbitration, or any other proceeding. Each Party shall only submit their own individual claims against the other Effective Date and will not seek to represent terminate ten (10) years from the interests of any other person. The arbitrator shall have no jurisdiction or authority to compel any class or collective claim, or to consolidate different arbitration proceedings with or join any other party to an arbitration between the Parties. The arbitrator, not any court, shall have exclusive authority to resolve any dispute relating to the enforceability or formation of date this ICA and the arbitrability of any dispute between the Parties, except for any dispute relating to the enforceability or scope of the class and collective action waiver, which shall be determined by a court of competent jurisdiction.

c. Agent understands the meaning and effect of the waivers being made in Section 18.b, immediately above, and Agent has been provided with reasonable time and an opportunity to consult with his or her own legal counsel regarding the same; Agent agrees to be bound Plan is adopted by the mandatory binding arbitration Board or is approved by the Company's stockholders, whichever is earlier. This Plan and dispute resolution provisions set forth in the eXp P&Ps.

[Agent's Signature Here]

19. **Non-Solicitation and Non-Disparagement.** Agent agrees to abide by eXp's Non-Solicitation and Non-Disparagement Policy, as set forth within eXp's Code of Conduct under the eXp P&Ps.

20. **Survival.** Any rights and obligations under this ICA, and in any of eXp's Policies, which by their nature extend beyond the termination of this ICA will survive the termination of this ICA. Without limiting the generality of the foregoing, the following Sections shall survive termination of this ICA: 2.a, 3, 6.a, 6.c, 9.b, 9.e, 10, 11, 12, 13, 1, 16, and 18 - 21.



21. **Miscellaneous.** This ICA shall be governed in accordance with the substantive and procedural laws of that state in which Agent is licensed as a real estate licensee (and, if Agent is licensed as a real estate licensee in more than one state, the governing law shall be of that state of Agent's licensure in which the ICA is intended to be enforced), and to the extent controlling, to the federal laws of the United States of America, without giving effect to any choice or conflict of law rule. This ICA (inclusive of any appurtenant addenda), together with eXp's Policies, embodies the complete agreement and understanding among eXp and Agent with respect to the subject matter of this ICA, and supersedes any prior written or verbal understandings, agreements, or representations by or among the

Parties which may have related to the subject matter of this ICA in any way. **To the extent there may be any conflict between the terms of this ICA and the terms in any of eXp's Policies, the more restrictive terms (in eXp's favor) shall be controlling.** No failure to exercise, and no delay in exercising, on the part of any Party, any right or any power hereunder shall operate as a waiver thereof. This ICA may be executed in any number of identical counterparts, each of which is considered an original, but together are one agreement. This ICA is to be executed by electronic signature only, and shall have the same force and effect as if signed by original signature. Section headings in this ICA are included for convenience of reference only and shall not constitute a part of this ICA for any other purpose. This ICA and the rights of the Parties **all Awards granted** hereunder shall be governed by and construed in accordance with the laws of **Agent's primary state (as the State of Delaware).**

20. AMENDMENT OR TERMINATION OF PLAN. The Board shall have complete power and authority to alter, amend, suspend or terminate this Plan, provided that no such **term is used** action shall materially impair a Participant, without his or her consent, of any Award or any rights granted thereunder or hereunder. Stockholder approval of amendments shall be required only to permit the issuance of Incentive Options or otherwise to comply with applicable laws or regulatory requirements.

21. AWARD AGREEMENTS AND AMENDMENTS. Each Award granted under this Plan shall be evidenced by an agreement between the Company and the Participant, which shall be approved by the Board or an executive officer of the Company. The Award Agreement shall comply with the provisions of this Plan and the terms of the Award's grant by the Board and may contain additional terms not inconsistent with this Plan and such grant which are deemed necessary or desirable by the Board or the executive officer. Subject to the terms and limitations set forth in **Section 8.a, above).** **In this Plan,** the **event that** Board and the Participant may without approval modify, extend, renew or terminate any outstanding Award or Award Agreement.

22. NONEXCLUSIVITY OF THE PLAN. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this **ICA Plan** will be construed as creating any limitations on the power of the Company to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

23. COMPLIANCE WITH SECTION 409A OF THE CODE. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Section 409A of the Code such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code, except as otherwise determined in the sole discretion of the Board or its delegate hereunder. The Plan and each Award Agreement under the Plan is **determined** intended to be **unenforceable,** either exempt from the application of or meet the requirements of Section 409A of the Code and will be construed and interpreted in accordance with such **provision** intent, except as otherwise determined in the sole discretion of the Board or its delegate hereunder. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. In no event will the Company or any of its Subsidiaries or Parents have any obligation or liability under the terms of the Plan to reimburse, indemnify, or hold harmless any Participant

or any other person in respect of Awards, for any taxes, interest or penalties imposed, or other costs incurred, as a result of Section 409A of the Code.

Appendix 2: Definitions

As used in the Plan, the following definitions shall apply:

"Award" means any award under the Plan, including any Option, Restricted Stock, or Other Stock-Based Award.

"Award Agreement" means, with respect to each Award, the written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award, which shall be **deemed severed** in substantially a form (which need not be the same for each Participant) that the Board has from **all other provisions hereof** time to time approved, and will comply with and be subject to the terms and conditions of this Plan.

"Board" means the Board of Directors of the Company.

"Cause" means (a) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company and the **remaining provisions** Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "cause" (or words of like import), (i) Participant's willful failure substantially to perform his or her duties and responsibilities to the Company or deliberate violation of a Company policy; (ii) Participant's commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct that has caused or is reasonably expected to result in material injury to the Company; (iii) unauthorized use or

disclosure by Participant of any proprietary information or trade secrets of the Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company; or (iv) Participant's willful breach of any of his or her obligations under any written agreement or covenant with the Company; or (b) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company and the Participant at the time of the grant of the Award that defines "cause" (or words of like import), "cause" as defined under such agreement. The determination as to whether a Participant is being terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment or consulting relationship at any time as provided in Section 16 above, and the term "Company" will be interpreted to include any Subsidiary or Parent, as appropriate.

"Code" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Common Stock" means the Company's Common Stock, par value \$0.00001 per share.

"Company" means eXp World Holdings, Inc., a Delaware corporation, or any successor corporation.

"Consultant" means any person or entity, including an advisor or independent contractor, engaged by the Company or a Parent or Subsidiary to render services to such entity other than in connection with the offer or sale of securities in a capital raising transaction.

"Director" means a member of the Board.

"Disability" means in the case of ISOs, total and permanent disability as defined in Section 22(e)(3) of the Code and in the case of other Awards, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

"Effective Date" means the date on which the Plan has received approval by the Company's stockholders required in accordance with the Company's governing documents and applicable law.

"Employee" means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended.

"Exercise Price" means the price at which a holder may purchase the Shares issuable upon exercise of an Option.

"Fair Market Value" means, as of any date, the value of a share of the Company's Common Stock determined as follows: (i) If the Common Stock is traded on an established securities market, the closing price of a share of the Common Stock on such date on the composite transactions report of the principal securities market on which the Common Stock is so traded, or, if there is no sale of the Common Stock on such date, then on the last previous date on which there was a sale; or, (ii) if the Common Stock is not then traded on an established securities market, the fair market value of a share of the Common Stock as determined by the Board in a manner it considers reasonable or appropriate under the circumstances, taking into account the requirements of Section 409A or 422 of the Code, as applicable. The determination of fair market value for purposes of tax withholdings may be made in the Board's (or its delegate's) discretion subject to applicable laws and is not required to be consistent with the determination of Fair Market Value described above or for other purposes.

"Insider" means any person providing services to the Company or a Subsidiary whose transactions in the Company's Common Stock are subject to Section 16 of the Exchange Act.

"Option" means an award of an option to purchase Shares pursuant to Section 5.

"Other Stock-Based Award" means an Award under Section 8 that is valued in whole or part by reference to, or is payable in or otherwise based on, Common Stock.

"Parent" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

"Participant" means a person who holds an Award under this Plan.

"Performance Factors" means any performance goal, metric or measure, individually or in combination, as determined by the Board or its delegate hereunder.

"Performance Period" means the period of service determined by the Board, during which years of service or performance is to be measured for the Award.

"Permitted Transferee" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Participant, any person sharing the Participant's household (other than a tenant or employee), a trust in which these persons (or the Participant) have more than 50% of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than 50% of the voting interests.

"Plan" means this eXp World Holdings, Inc. 2024 Equity Incentive Plan.

"Purchase Price" means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option.

"Restricted Stock Award" means an award of Shares pursuant to Section 6 or Section 8 of the Plan, or issued pursuant to the early exercise of an Option.

"Restricted Stock Unit" means an Award granted pursuant to Section 7 or Section 8 of the Plan.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Shares" means shares of the Company's Common Stock and the common stock of any successor security.

"Subsidiary" means any subsidiary corporation of the Company, whether now or hereafter existing, as defined in Section 424(f) of the Code.

"Termination" or "Terminated" means, for purposes of this ICA Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an employee, officer, director, consultant, independent contractor or advisor to the Company or a Parent or Subsidiary of the Company. An employee will not be deemed to have ceased to provide services in the case of (i) sick leave, (ii) military leave, or (iii) any other leave of absence approved by the Board; provided, that such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute or unless provided otherwise pursuant to formal policy adopted from time to time by the Company and issued and promulgated to employees in writing. In the case of any employee on an approved leave of absence, the Board may make such provisions respecting suspension of vesting of the Award while on leave from the employ of the Company or a Parent or Subsidiary of the Company as it may deem appropriate, except that in no event may an Award be exercised after the expiration of the term set forth in the applicable Award Agreement. In the event of military leave, if required by applicable laws, vesting shall remain continue for the longest period that vesting continues under any other statutory or Company approved leave of absence and, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Awards to the same extent as would have applied had the Participant continued to provide services to the Company throughout the leave on the same terms as he or she was providing services immediately prior to such leave. An employee shall have terminated employment as of the date he or she ceases to be employed (regardless of whether the termination is in full force breach of local laws or is later found to be invalid) and effect; the severed provision employment shall not be deemed severed from this ICA in extended by any other jurisdiction. It is the desire and intent notice period or garden leave mandated by local law. The Board will have sole discretion to determine

whether a Participant has ceased to provide services for purposes of the Parties that this ICA be enforced Plan and the effective date on which the Participant ceased to the fullest extent permitted by law. If any provision in this ICA requires interpretation, the resolution of such ambiguity shall not be held against the drafter. Except as provided elsewhere in this ICA (inclusive of eXp's Policies), Agent shall not sell, assign, or transfer any of Agent's rights, interests, duties, or obligations under this ICA to any third party without eXp's prior written consent, which may be withheld, delayed, or conditioned in eXp's sole and absolute discretion. This ICA shall be binding upon and inure to the benefit of the respective heirs, successors, and permitted assigns of the Parties. Subject to Section 13, above, in the event of any dispute between eXp and Agent under this ICA, the prevailing Party shall be entitled to recover its reasonable legal fees and costs; the "prevailing party" will be that Party who may be fairly said by the trier of fact to have prevailed on the major disputed issues.

IN WITNESS WHEREOF, and by their electronic signatures, below, the Parties hereto evidence their agreement to enter into and be bound by the terms of this ICA effective as of the Effective Date.

Agent:eXp (Primary State):

SignatureSignature

Agent NameName, Title

(To be completed only if Agent is to be licensed and affiliated with eXp in more than one state.provide services (the "Termination Date")

eXp (non-Primary State): eXp (non-Primary State):

SignatureSignature

Name, TitleName, Title

Exhibit 10.4



eXp Realty Policies and Procedures Page 1 of 85 Version: USA 05.09.2024 POLICIES AND PROCEDURES eXp Realty (hereafter, "eXp," "we," "our," and such analogous terminology) reserves the right to make updates to the policies and procedures set forth within these eXp Realty Policies and Procedures ("eXp P&Ps" or "eXp's P&Ps"). When and if updates are made, they will be communicated through Workplace, eXp News weekly newsletter, and/or the weekly company meeting. By signing an Independent Contractor Agreement ("ICA") with eXp, each independent contractor real estate licensee with eXp (singularly an "Agent"; and collectively, "Agents") is agreeing to adhere to and abide by these eXp P&Ps, with such eXp P&Ps being incorporated by reference into Agent's ICA verbatim and at length, and constituting a part of Agent's ICA as though fully set forth therein. A glossary of terms defined in these eXp P&Ps is located at the back of these eXp P&Ps; defined terms that are used but not otherwise defined in these eXp P&Ps shall be as defined in the ICA. TABLE OF CONTENTS:	I.	CORE VALUES
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POLICIES AND
PROCEDURES
I. CORE
VALUES At
eXp, our core
values are
more than just
motivational
posters on
virtual walls;
they support
our vision and
shape our
culture. Our
global
community is
powered by
agents,
partners, and
staff who work
collaboratively
to transform the
real estate
experience.
These eXp
P&Ps, our code
of conduct, and
the way we
carry out our
daily
operations,
including the
enforcement of
these policies,
are based on
these nine core
values:
II. POLICY It is
the policy of
eXp to
participate in a
real estate
activity only
when it is legal,
honest, fair and
beneficial to us
and others. In
pursuit of

compensation
for ourselves.
we will never
ignore the
benefit of our
community.
Therefore, we
will conduct our
business in a
manner to
follow all the
laws and rules
of our
profession. We
pledge to
exercise the
highest
standard of
ethics, honesty,
fairness and
professionalism
in all our real
estate
activities. III.
PROCEDURES
Every Agent is
expected to
adhere to and
abide by these
eXp P&Ps.
Failure to
adhere to the
eXp P&Ps



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POLICIES AND
PROCEDURES
could result in
legal and
regulatory
liability for the
Agent and eXp.
Therefore, the
Agent agrees
that if they
depart from the
eXp P&Ps, they
will defend.

indemnify and hold eXp, and its principals and affiliates harmless against any and all claims, complaints or actions that may arise from such a departure. In addition, failure to comply with this Policy is grounds for the immediate release of an Agent's license and removal from eXp. These eXp P&Ps provide detailed guidelines for eXp's brokerage policies and procedures. However, there may be some circumstances or issues that are not addressed in those instances. Decisions and actions taken will reflect our core values. As provided above, these eXp P&Ps are incorporated into the ICA that each Agent entered into as part of the process of associating with eXp. Failure to comply with these eXp P&Ps may be grounds for

immediate
termination and
dismissal from
eXp. Additionally, an
Agent's right to
be
compensated
for their work,
activities on
behalf of eXp,
revenue share
and stock may
be adversely
affected by any
failure on
Agent's part to
carry out,
adhere to, and
otherwise
support and
fulfill the
provisions of
these eXp
P&Ps. IV.
STATE
POLICIES AND
PROCEDURES
These eXp
P&Ps are
designed to
address
nationwide
brokerage
policies and
procedures
applicable to all
Agents in all
states in which
eXp does
business. It is
impractical to
address the
peculiarities of
state and local
requirements in
the body of
these eXp
P&Ps.
Notably, the
responsibilities
of Agents to
principals and
the public.
While it is each
Agent's

obligation to be
fully familiar
with and fully
comply with
state and local
law pertaining
to the provision
of real estate
brokerage
services, exp
offers additional
state policies
and procedures
where
necessary, to
address many,
but not all, state
and local
requirements.
Any State
P&Ps, if
applicable, will
be a critical part
of these exp
P&Ps and, to
the extent it is
inconsistent
with these exp
P&Ps, the
applicable
State P&Ps
supersedes
these exp
P&Ps. V.CODE
OF CONDUCT
All Agents shall
conduct their
business in
alignment with
exp's core
values, the
National
Association of
REALTORS®
Code of Ethics,
and in
accordance
with applicable
federal and
state laws.
Agents should
conduct
themselves in
an appropriate
business-like
manner in all

activities and
relations with
fellow Agents,
clients,
potential
customers and
eXp staff.



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POLICIES AND
PROCEDURES All Agents
shall strive at all times to
perform in a manner that will
increase the goodwill,
reputation and business of
eXp, and Agents shall do
nothing which would serve
to disturb, discredit or
devalue eXp or eXp's
goodwill, reputation and/or
business. Any Agent whose
conduct, actions or
performance violates or
conflicts with eXp's P&Ps,
eXp's core values, or any
other eXp policy, may be
released from eXp
immediately and without
warning. It is the
commitment of eXp to
ensure the brokerage is free
from negative, aggressive
and inappropriate behaviors,
and that the environment is
aimed at providing an
atmosphere upholding our
core values. All Agents and
employees of eXp have the
right to be treated with
dignity and respect. All
complaints of negative and
inappropriate behaviors will
be taken seriously and
followed through to
resolution. Agents or
employees of eXp who file
complaints will not be
victimized for "whistle-
blowing" or reporting others
for their inappropriate
behavior. Agents may file

complaints by emailing
compliance@exprealty.net.
Agents who are members of
the National Association of
REALTORS® are required
to maintain their mandatory
ethics training. Failure to
complete the course will
result in suspension or
termination of Realtor®
membership and removal
from eXp. Agents are
expected to become familiar
with and adhere to the
National Association of
REALTORS® Pathways to
Professionalism found on
their website at
[https://www.nar.realtor/code-
of-ethics-and-arbitration-
manual/pathways-to-
professionalism](https://www.nar.realtor/code-of-ethics-and-arbitration-manual/pathways-to-professionalism). Agents
shall not disparage the
conduct, reputation, or
character of another Agent
of any eXp employee or
member of management, or
of eXp itself (including eXp's
products, services, and
business model). Agents
shall not disparage
competing brokerages or
their agents. Agents shall
not solicit, recruit, employ,
induce, or entice (either for
themselves or another),
directly or indirectly through
a third party, any eXp
partners, affiliates,
salespersons, real estate
agents, and/or employees to
leave eXp during the Term
of an Agent's ICA, and for a
period of two (2) years
following termination of an
Agent's ICA. This paragraph
shall be referred to as eXp's
Non-Solicitation and Non-
Disparagement Policy.
Agents shall not take any
action that creates, or has
the possibility of creating,
any civil and/or criminal
liability for eXp and/or other
eXp Agents. Violations of
this Code of Conduct are



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POLICIES AND
PROCEDURES
A. Fiduciary 1.
The Agent and all
licensed
assistants shall
abide by their
fiduciary
responsibilities
when acting as an
Agent for a client.
The Agent owes
the client the
fiduciary duties of
obedience,
loyalty,
disclosure,
confidentiality,
accounting,
reasonable skill
and care. Agents
shall also deal
fairly with all
parties to a
transaction. 2.
The agency
relationship with
any party with
whom an Agent is
working on behalf
of eXp or an
Agent must have
their license
affiliated with eXp
and have
established in
writing on a form
acceptable to the
state Designated
Managing Broker
or applicable
Managing
Broker(s)
(individually, and

collectively,
hereinafter
referred to as
"State Broker")
before an offer on
a property is
written, or a listing
is taken. The
failure to establish
and disclose the
type of
relationship one
has by the time of
contract is
unacceptable.
The contract is to
serve only as
confirmation of an
election made by
the buyer/lessee
or seller/lessor in
a separate written
agreement before
the contract is
written. B.
Cooperation and
Compensation 1.
As a matter of
policy, eXp does
not offer
cooperation or
compensation to
sub-agents. 2. An
Agent exclusively
representing a
buyer shall not,
under any
circumstances,
contact a seller
directly without
first obtaining the
express consent
by the listing
broker and State
Broker. The
exception to this
policy being for
sale by owner
properties. 3. All
Agents shall offer
compensation to
cooperating,
licensed real
estate
professionals in
their MLS and/or

Association/Board
who work with
potential buyers
of eXp's listed
properties, as
directed by a
seller, and such
compensation
shall be offered
equally and
without
discrimination. C.
Good Standing
Each Agent has a
duty to remain in
Good Standing at
eXp. To be
considered in
"Good Standing,"
an Agent must: 1.
be current on all
financial
obligations and
not have any
unpaid fees,
charges,
repayments, or
any other
amounts owed by
the Agent to eXp;
2. have and
maintain an active
and current status
for: a) all required
licenses; b) local,
state, and
national
REALTOR®
Association/Board
memberships;
where applicable;
and c) any other
subscriptions that
are required to
conduct real
estate business in
the Agent's
state(s); 3. not be
deemed in breach
of any term,
covenant,
condition,
obligation
(including monies
owed) or duty set
forth in the ICA

and these eXp
P&Ps, as
determined by
eXp in its
reasonable
discretion; and 4.
not be involved in
any legal claims,
disputes, or
administrative
hearings.



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POLICIES AND
PROCEDURES eXp
reserves the right to
withhold earnings
from, and assign
another Agent to
close out, any
pending transactions
concerning any
Agent that is not in
Good Standing. In
order to remain
eligible to collect
revenue share under
the eXp Sustainable
Revenue Share Plan
("Revenue Share
Plan"), an Agent
must be and remain
in Good Standing.
any failure to remain
in Good Standing
may result in a loss
of pending revenue
share earnings. D.
Agreements,
Compliance Forms,
Insurance Forms
Each Agent will
submit all
documents
necessary for eXp to
keep themselves in
compliance with all
applicable local,
state, and federal

laws, as well as with
eXp's P&Ps. eXp will
share all materials
with an Agent that
eXp maintains in its
records relating to
that Agent's agency
and independent
contractor
relationship with
eXp. eXp reserves
the right to assess
penalties (financial
and otherwise)
against an Agent, in
accordance with
each Agent's ICA
and eXp's P&Ps, if
that Agent fails or
refuses to provide
completed
documentation as
required by eXp or
by any applicable
local, state, or
federal law, in order
to achieve and
maintain compliance
with such laws. E.
License Renewal
and State
Department of
Licensing Rules
Agents shall
maintain an active
real estate license
with the applicable
state department of
agency that is
charged with
administering the
issuance of any real
estate licenses in
that state ("State
Department of
Licensing"). It is the
Agent's sole
responsibility to fulfill
all continuing
education
requirements and
file their renewal
promptly and be
aware of their
licensing status with
the State

Department of
Licensing. eXp may
at its sole option,
sever the Agent's
license with eXp if
the Agent's license
is not renewed on
time. Failure to
renew can have
severe financial
impacts on the
Agent. Commissions
are subject to
forfeiture for any
unlicensed real
estate activities after
expiration/revocation
of an Agent's
license. Agents shall
adhere to all state
and federal licensing
rules and
regulations. It shall
be the Agent's
responsibility to be
knowledgeable
about the rules set
forth by their State
Department of
Licensing. Should a
complaint be filed
against an Agent,
the Agent must
immediately notify
eXp via their State
Broker for
assistance in
responding promptly
to the complaint and
cooperate fully with
the State
Department of
Licensing. F. Non-
Disclosure Of Trade
Secrets Each Agent
recognizes and
acknowledges that
much of the
information that will
be furnished to
him/her concerning
eXp's clients,
customers, listings,
holdings,
investments,
transactions, eXp-

generated leads, and other confidential matters constitutes valuable, special, and unique assets and are trade secrets of eXp. Accordingly, Agents shall not, during or after their affiliation with eXp, disclose any such information or any part thereof, to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever without the express written consent of eXp.



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G. Real Estate Transactions All real estate transactions must be taken in eXp's name (and not in an Agent's name or in the name of any other real estate brokerage company), and processed and closed through eXp. This means that any listings (whether sale or rental) must be listed, advertised, processed, and closed through eXp and any

buyer/tenant,
representation
services must be
performed
through eXp.
Each Agent shall
ensure that all
fees,
commissions, or
other
compensation
earned by the
Agent, and for
which the Agent
must be an
active licensed
real estate
professional in
order to receive
such
commission or
compensation, in
connection with
the sale, lease,
or rental of real
estate, and any
interest therein
or service in
relation thereto,
are made
payable to eXp.
H. Transaction
Files 1. Forms
Agents shall use
the most current
forms provided
by eXp Realty or
that are
customary to the
MLS or
REALTOR®
Board where the
Agent is a
member. eXp
does not
condone or
endorse the
unauthorized
use of any
copyright-
protected forms
developed by
any MLS or
REALTOR®
Board. Under no
circumstance

may Agents use
any copyright-
protected forms
developed by
any MLS or
REALTOR®
Board unless
such Agents
belong to the
MLS or
REALTOR®
Board that
created the
copyright-
protected forms.
Agents, and not
eXp, will be
solely
responsible for
all costs and
expenses arising
from their
unauthorized
use of any
copyright-
protected forms.
Agents must use
any applicable
regulatory
documents
required by
federal and state
agencies.
Agents may not
create and use
their own forms
unless the forms
intended to be
used are first
approved, in
writing, by both
their State
Broker and COE
Director. Many
eXp forms will
be found within
the transaction
management
system currently
used. Agents are
aware and
understand that
all dual agency
transactions
must contain a
fully executed

consent for
dual/limited
representation
form, completed
prior to
purchase/sale
contract
execution, in
order to
preserve the
right to errors
and omissions
insurance
coverage on the
file. Agents are
aware that if
they fail to obtain
such written
consent, the file
may be excluded
from coverage
and such Agent
shall be
responsible for
the full amount
of the damages,
attorneys' fees,
and costs
incurred by
and/or recovered
against eXp. 2.
Executed Real
Estate
Documents The
State Broker has
a supervisory
responsibility by
law and must
comply with the
State Licensing
Department's
rules. All
purchase and
sale
agreements,
listings, referrals
and any other
transactional
documents must
be uploaded into
the transaction
management
system within
two business
days of
execution to

allow time for review and approval by the applicable State Broker team. Please refer to the transaction checklists provided in each state. Transaction files should include all documents related to the transaction and any and all correspondence, notes, email communications, text messages, etc., regardless of whether the



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Transaction closed or not. Agents are encouraged to make copies of their files. eXp reserves the right to maintain digital files in storage for the statutory period as required by the state licensing departments. Unauthorized removal of any file from the transaction management system may lead to

termination.
Once a
customer or
client has
signed a
document, they
are entitled to
and shall
therefore,
receive a copy
of the
document upon
its execution.
Agents are
required to
either provide
an electronic
copy, via email,
or deliver a
physical copy
of the
document(s) to
them. Agents
shall transact
ALL real estate
brokerage
business
through one of
the eXp World
Holdings, Inc.
family of real
estate
brokerage
companies.
Transactions
that are
processed
outside of the
foregoing may
be grounds for
immediate
termination. 3.
Earnest Money
Earnest money
shall be
handled as
described in
State P&Ps.
The Agent will
be subject to
immediate
termination if it
has been
determined that
there has been
any improper

handling of
earnest money.
All files must
contain an
accounting for
disbursement
of funds
including
earnest money
and final
settlement
statements. 4.
Late or
incomplete
Paperwork
Submissions
Signed
documents of
any variety,
listing files, and
files pertaining
to completed
transactions
must each be
uploaded within
eXp's
transaction
management
system within
the sooner of
the following:
(a) forty-eight
(48) hours after
their execution
or in the case
of a completed
transaction, the
respective
closing date (as
applicable), or
(b) the
maximum time
period
permitted by
the Agent's
applicable
state's real
estate licensing
laws. Listing
files and files
pertaining to
completed
transactions
must include all
required
paperwork

pertaining to the listing or transaction, as applicable missing paperwork is not acceptable. Failure to adhere to these requirements is a violation of eXp policy and may subject the Agent to escalating repercussions. all as determined by the State Broker and/or Brokerage Operations leadership, in their sole discretion. Such repercussions include, without limitation, any of the following or combination thereof: a) Loss of split check (if allowed in the Agent's state) for stated times; b) If the Agent fails to adhere to these requirements three (3) or more times within a rolling consecutive 6-month period, the Agent will be required to use an eXp-approved Transaction Coordinator ("TC") to assist Agent with organizing and uploading the Agent's next

three (3) Agent
listing files
and/or files
pertaining to
completed
transactions, all
at the Agent's
sole cost and
expense.
Thereafter, the
Agent is free to
continue or
discontinue
using the same
or different
eXo-approved
TC, as the
Agent
determines; if
use is
continued, such
use will be at
the Agent's
sole cost and
expense. c)
Required
training on
eXo's
transaction
management
system, and
policies and
procedures



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pertaining to
state contracts;
and d)
Offboarding the
Agent from
eXo. Any fines
assessed to the
State Broker, or
to eXo,
pertaining to an
Agent's failure

to follow these document and file submission policies shall be reimbursed by that Agent. The costs of undertaking any investigation by the State Broker for an Agent's non-compliance with these document and file submission policies may be passed on to that Agent, all at eXp's sole discretion. I, Agent-Owned Real Properties 1. Generally One of the great benefits of having a real estate license is the advantage of building personal wealth through the sale and purchase of real estate. However, these transactions place both eXp as well as the Agent-Owner (defined below) at a greater risk of litigation due to the nature of rehabbed and flipped property transactions. In addition, the mere fact that a seller or buyer is a licensed real estate professional and

REALTOR® means they are held to a higher standard and subject to higher incidences of legal claims and litigation. Therefore, these policies are intended to protect both the Agent-Owner, eXp, and all of our Agents and shareholders.

a) "Agent-Owned" means ownership is held or controlled by an Agent, whether through an Agent's own name, a spouse's name, a business entity, a trust, or that is otherwise owned and/or controlled by Agent and/or Agent's spouse (also referred to as an "Agent-Owner") b) Unless prior written approval is granted by Brokerage Operations leadership, Agents shall not enter into a contract to sell or flip a property until the Agent holds legal title (as opposed to mere equitable title) to the subject property. c) A

single Agent
may not
represent both
sides of a sales
transaction if
the Agent or a
family member
of the Agent is
a principal or
party to the
transaction. d)
Under NO
circumstances
can an Agent
represent the
buyer in a
Personal
Transaction (as
defined below);
additionally, an
Agent cannot
act as an
intermediary in
a Personal
Transaction. e)
Agents shall
never act as a
principal in a
transaction
without the full
written consent
of all parties. f)
The buyer must
sign an agency
representation
disclosure. g)
Both the buyer
and Agent shall
execute the
Disclosure of
Personal
Interest of Exp
Realty Agent
Addendum to
Residential
Purchase
Contract with
each Agent-
Owned
property. h) The
parties must
use standard
forms and sales
contracts and
all forms must
be state

approved with
full and
accurate
signatures &
dates. i)
Agent's name.
Agent and/or
Agent's
spouse's
business entity
or trust name.
or Agent's
spouse's name
must be on the
title or lease
agreement (as
applicable) for
the Transaction
to be
considered.



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PROCEDURES j)
All seller
disclosures must
be made
regarding any
property defects
or material
information, must
be completed on a
seller's disclosure
notice, and must
have all
necessary
signatures, dates
& initials. k) For all
transactions
where the
property is Agent-
Owned, exp
strongly
encourages that
the Agent-Owner
ensures a home
inspection is
delivered to the
buyer. (1) The

buyer must have a home inspection done by a licensed property inspector (if licensing is a requirement in the state in which the property is located) or submit a written waiver of such. (2) If buyer waives the right to a property inspection, the buyer must provide written notice of that waiver by completing and signing the Buyer Acknowledgement and Waiver of Inspections. (3) A copy of the property inspection, along with all addenda and/or amendments must be included in the file. f) For all transactions where the property is Agent-Owned, the Agent-Owner is strongly encouraged to ensure the property is covered by a standard home warranty from a company of the buyer's choice. (1) The buyer must be made aware that they may purchase a residential service contract (home warranty) for the property via the Disclosure of Personal Interest

of eXp Agent
Addendum to
Residential
Purchase
Contract. m)
Ownership must
be disclosed in all
marketing
materials. MLS,
advertising, and
stated in the
special provisions,
or its equivalent,
section of the
contract
regardless of what
percentage of
ownership interest
in the property is
held by the Agent.
n) Agents are
required to turn in
a copy of the full
closing disclosure
and copies of
any/all
commission
checks received
for the
transaction. o)
Any work
completed on the
property that
requires a permit
or is a major
repair (i.e., repairs
that are not of a
casual nature, or
otherwise require
permits) shall be
done by a
licensed, bonded,
and insured
contractor. In
jurisdictions where
a contractor
license is not
required, the
individual
performing the
repair(s) must be
an experienced
and qualified
tradesperson. 2.
Personal
Transactions A

"Personal Transaction" is any transaction concerning a property that is Agent-Owned or leased by an Agent. Agents may exempt three (3) Personal Transactions per Anniversary Year, whether involving the Agent's ownership interests or leasehold interests. (Please communicate with your State Broker should you have questions.)

Personal Transactions will carry a Personal Transaction Fee ("Personal Transaction Fee") taken as a charge against the Contractor Dollar, as follows:



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a) Personal Transactions involving a purchase or sale will carry a \$250 Personal Transaction Fee, in addition to the Transaction Review Fee and Risk

Management
Fee, For Agents
who have
reached a
Capped Status
and who are
paying a
reduced
Capped Status
Transaction
Fee, the
Personal
Transaction Fee
shall be
collected at the
reduced rate of
\$75 per
Personal
Transaction for
the remainder
of that Agent's
Capping Period.
b) Personal
Transactions
involving a
lease will carry
a \$75 Personal
Transaction
Fee, and either
(i) no
Transaction
Review Fee or
Risk
Management
Fee (if the
Gross
Commission
Income is
\$1,000 or less),
or (ii) a
Transaction
Review Fee and
Risk
Management
Fee (if the
Gross
Commission
Income is
greater than
\$1,000).
**Personal
Transactions
involving a
lease do not
count towards
the three (3)

Exempt
Personal
Transactions
her Anniversary
Year. Personal
Transaction
commissions
are not included
in revenue
share
calculations
where no
Company Dollar
is generated
from the
completion of
the Personal
Transactions.
For eXp Agents
in the eXp
Mentor
Program
please see the
relevant eXp
Mentor Program
Addendum to
Independent
Contractor
Agreement for
rules and fees
involved in a
Personal
Transaction. J
Commercial
Property Prior
to transacting in
or
contemplating a
commercial
transaction.
Agents must
have
authorization
from their State
Broker. Agents
may not act
outside their
area of
expertise.
Agents must be
aware that
eXp's errors &
omissions
insurance policy
limits are
generally not

sufficient to
conduct many
commercial real
estate activities.
For purposes of
these eXp
P&Ps,
"Residential
Property" shall
be defined as
any real
property that is
zoned to
accommodate a
residential
dwelling having
not less than
one (1) and not
greater than
four (4) dwelling
units, whether
such real
property is
vacant land or
improved real
property; and
"Commercial
Property" shall
be defined as
any real
property that is
not Residential
Property. K.
Unauthorized
Activities 1.
Generally a) No
business will be
conducted in
eXp's name that
does not pertain
directly to the
duties of a real
estate licensee
as directed by
federal, state
and local
laws/regulations
as well as eXp's
Policies.
referenced
herein. b).
Agents shall not
open any brick-
and-mortar
offices in eXp's
name or bind

Exp to any
agreements
without the
written consent
of their State
Broker. c)
Except as
otherwise
provided in the
last sentence to
this paragraph.
Agents shall not
conduct
property
management
services
through Exp.
The term
"property
management
services"
means
engaging in any
activities
concerning an
actual or
prospective
tenant on behalf
of a client,
whether or not
such activities
are coupled
with any
property
preservation
services (as
that term is
defined herein)
(e.g., collecting
rents,
performing



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inspections
setting up
repairs and

maintenance,
running a
background
check, making
or assisting
with tenant
selection, etc.).
However,
Agents may list
rental
properties on
behalf of
landlord-clients,
and Agents
may assist
tenant-clients in
locating
suitable
properties in
which to rent.
d) Agents shall
not operate
limited function
referral offices
through eXp.
The term
"limited function
referral offices"
means those
offices that are
solely engaged
in referring
clients or
customers to
non-eXp real
estate
brokerage
companies.
Agents desiring
to perform
limited function
referral offices
should both (i)
refer to their
State P&Ps,
and (ii) contact
their State
Broker for more
information. e)
Agents shall
not sell or list to
sell business
opportunities or
engage in
business
brokerage

activities. For
avoidance of
doubt, this
prohibition does
not apply to
brokering
interests of
cooperative
corporations
(co-ops). f)
Agents shall
not conduct a
final walk-
through
inspection on
behalf of a
client. g)
Agents shall
not perform
work or do
repairs on
properties
where the
Agent is
representing a
buyer or seller.
h) A single
Agent shall not
represent both
sides of a sales
transaction if
the Agent or a
family member
of the Agent is
a principal or
party to the
transaction.
Failure to follow
this policy can
result in loss of
errors and
omissions
coverage and
each Agent
shall be
responsible for
any legal costs
and may be
subject to
removal from
eXp, as
provided in
their ICA. i)
Agents shall
not represent
both sides of a

transaction
without full
written consent
from all parties
executed prior
to contract.
Failure to follow
this policy can
result in loss of
errors and
omissions
coverage.
Agents shall be
responsible for
all legal costs
and may be
subject to
removal from
eXp, as more
fully provided in
Agent's ICA. j)
Agents shall
not engage in
the act of
wholesaling
properties, in
which they, or a
family member,
have a financial
interest without
first obtaining
written approval
from both the
State Broker
and Brokerage
Operations
leadership. No
real estate
commission
arising from a
wholesaling
transaction in
which either the
Agent and/or
the Agent's
family member
is a principal,
shall be
credited,
reduced, or
otherwise
waived unless
the transaction
file is complete,
and if the file is
complete, any

such crediting,
reduction, or
waiver must be
approved in
writing, and in
advance, by
Agent's State
Broker. In this
instance, real
estate
wholesaling
occurs when
the Agent
contracts with a
home seller to
purchase their
property,
markets the
home to
potential buyers
and then sells
and assigns the
purchase
contract to
another buyer
before the
purchase
transaction
closes. The
Agent makes a
profit, which is
the difference
between the
contracted
price with the
seller and the
amount paid by
the buyer. For
avoidance of
doubt, real
estate
wholesaling
does not occur
(for purposes of
this paragraph)
when there is a
deed transfer
as between the
original seller
and first buyer
on the one
hand, and a
second deed
transfer as
between the
first buyer and

subsequent
buyer, on the
other hand,
even if the two
deed transfers
occur on the
same day,
whether or not
through
simultaneous
closings,
Agents should
consult with
their State
Broker team or
Centers of
Excellence
Director ("COE
Director")
(formerly
known as their
Regional
Operations
Manager or
"ROM") for
more
information.



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k) Agents may
only work with
an
unrepresented
party with
proper
disclosure, and
the Agent must
represent a
party in the
transaction
(i.e., helping a
buyer client
purchase from
a for sale by
owner, helping
an

unrepresented
buyer purchase
their listing
where they
represent the
seller). MLS-
only listings are
not allowed. f)
Agents shall
not act outside
of their area of
expertise.
either in
knowledge
base or
geographic
area. At the
option of the
State Broker,
another Agent
may be
assigned to
work with the
Agent or to
personally
assist the
Agent in such a
transaction. If
compensation
to the Agent is
affected, the
State Broker
shall negotiate
a reasonable
compensation
agreement on
that
transaction. m)
As a general
rule, Agents
shall not
contract for any
services or bind
eXp in any way
without written
consent of eXp.
However,
Agents may
enter into
client-specific
or transaction-
specific
agreements on
eXp's behalf).
(1) that affect
only

themselves (as
opposed to any
other eXp
Agents), and
(2) which a
reasonably
prudent real
estate licensee
would
customarily
enter into in the
normal and
regular course
of rendering
those real
estate
brokerage
services offered
by eXp
(including,
without
limitation, listing
agreements,
client-specific
or transaction-
specific referral
agreements,
and buyer-
representation
agreements). n)
For avoidance
of doubt,
Agents do not
have authority
and are not
permitted to
enter into any
agreements (on
eXp's behalf)
that may affect
any Agents
other than
themselves or
eXp, including
by way of
example only,
and without
limitation,
master referral
agreements,
lead generation
agreements,
master service
agreements,
office lease
agreements.

non-disclosure
or
confidentiality
agreements, or
any other type
of business-to-
business
vendor
agreement. If
Agents are
unsure whether
they have the
authority to
enter into an
agreement on
eXp's behalf,
they should
refrain from
entering into
that agreement
and confer with
their State
Broker. o)
Agents shall
not render
legal, appraisal
or tax advice to
any person on
behalf of the
Agent, the
State Broker or
eXp. Under no
circumstances
is an Agent to
deny, or in any
way
discourage, a
client from
seeking the
advice of an
attorney of
client's choice.
Rather, such
activity should
be encouraged.
p) Agents shall
not agree to act
as an "attorney
in fact" under a
power of
attorney on
behalf of a
client or
customer of
eXp without
first obtaining

written approval
from the
applicable
State Broker, or
Agents whose
clients are
operating as an
attorney in fact
under a power
of attorney
must confer
with their State
Broker prior to
accepting such
client. For
avoidance of
doubt, eXp
cannot confirm
the validity or
enforceability of
any powers of
attorney. r)
Agents shall
not recommend
third party
services with
whom the
Agent has a
familial
relationship in
any
transactions the
Agent is directly
involved in or
has a financial
interest in
unless the
Agent discloses
their familial
and/or financial
interest (if any)
in writing to the
client, and also
provides at
least one
additional
referral,
preferably
more, at the
same time. s)
Agents shall
not, directly or
indirectly (such
as through a
company an
Agent owns or

controls)
perform or
complete any
repairs on a
property for a
client, that is or
is intended



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to become the
subject of a
transaction in
which the Agent
is involved,
regardless of
whether the
Agent is a
licensed
contractor, t)
Agents shall not
enroll or
participate in
auction websites
without State
Broker approval.
2. Competitor
Affiliation is
Prohibited. An
Agent shall not
be affiliated with
a competing real
estate brokerage
company. This
means that an
Agent (including
an Agent's
spouse or
partner, if
applicable) shall
not alone or in
association with
others, whether
individually or
through any legal
entity (such as a
corporation,
limited liability

company, joint
venture, etc.) do
any of the
following: a) own,
manage,
operate, or
control; b) be
employed by, or
engaged as an
independent
contractor with;
c) serve as an
officer, director,
consultant, or
agent to; d)
capitalize or lend
money to; or e)
grant the use of
his or her name
to any residential
or commercial
real estate
brokerage firm
other than those
within the eXp
family of real
estate brokerage
companies.
Notwithstanding
the foregoing, an
Agent may own,
as a passive
investor, the
issued and
outstanding
stock of a
publicly held
company that
competes with
any real estate
brokerage
company within
the eXp family of
real estate
brokerage
companies. 3.
Limited
Representation
is Prohibited
Except as
otherwise
provided below,
no Agent shall
enter into any
representation
relationship with

a seller, buyer, landlord, or tenant that limits the services to be provided to that person ("Limited Representation"). nor shall any Agent participate in any transaction that does not result in a fiduciary relationship between an Agent and the seller, buyer, landlord, or renter. However, an Agent may engage in any of the following Limited Representation relationships provided that, (1) each such relationship is disclosed in writing and signed by the client or customer, and such disclosure clearly establishes the Agent's duties to the client or customer (including the limitations of the Agent's relationship with the client or customer), (2) any such relationship is not prohibited by applicable law or regulations, and (3) any such relationship is not prohibited by State P&Ps: a) a limited dual

agency
relationship; b) a
"transactional"
relationship (i.e.,
a nonagency
relationship
where an Agent
does not
represent a
buyer or seller, or
landlord and
tenant, in the
transaction,
treating both as
customers); and
c) a "facilitator"
relationship (i.e.,
a relationship
where an Agent
assists a buyer
and seller, or
landlord and
tenant, in
reaching
agreement in a
real estate
transaction but
has no fiduciary
duties to either
party). If an
Agent is unclear
with the above,
the Agent should
contact their
State Broker
before engaging
in any of these
relationships.



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in any listing
engagement
(including where
there is limited
Representation).
no Agents shall

encourage or
place in any
"MLS listing
remarks,"
directions that a
buyer's or
renter's agent
(or potential
buyers or
renters
themselves)
contact the
seller or
landlord.
directly, for any
reason. VII
ANCILLARY
AND
AFFILIATED
SERVICES A.
Property
Preservation
Services Agents
may only
engage in
property
preservation
services when
working on
behalf of clients
that are asset
managers or
institutional
clients (whether
or not
associated with
eXp's
REO/Relocation
division). Agents
may not engage
in property
preservation
services for
clients that are
not asset
managers or
institutional
clients. The term
"property
preservation
services" means
tending to and
managing only
the physical
aspects of any
real property on

behalf of a client
(e.g.,
scheduling,
coordinating,
and/or setting up
any repairs or
maintenance
concerning a
client's real
property). For
avoidance of
doubt, "property
preservation
services" are
distinct from
"property
management
services"
(defined herein).
For example,
and without
limitation, an
Agent may
schedule
plumbing repairs
on behalf of a
bank that owns
an REO
property, but an
Agent may not
schedule
plumbing repairs
for a mere
individual
property owner
that owns a
property. B.
Mortgage Loan
Origination 1.
Generally,
Except as may
otherwise be
prohibited by
law, an Agent
may perform
mortgage
activities in any
Transaction in
which they have
a personal or
financial
interest. 2. Dual
Capacity. If an
Agent is
authorized by
applicable law to

perform both
real estate
brokerage
activities and
mortgage loan
origination
activities, the
Agent may
perform both
sets of activities
in the same
transaction
provided that the
Agent has
properly
disclosed their
"dual capacity"
(as both real
estate agent and
mortgage loan
originator) to his
or her client. 3.
Familial
Relationship -
Conditionally
Acceptable. An
Agent may not
refer the
services of a
mortgage loan
originator that
has a familial
relationship to
the Agent on
any transactions
in which the
Agent is
performing real
estate
brokerage
activities, unless
each of the
following
conditions are
met: (1) the
buyer/borrower
is being
represented
through the
Agent and is not
an opposite
party in the
purchase
transaction; (2)
such familial
relationship is

disclosed to the
buyer/borrower
in writing, in
advance of
making the
referral (an
email from the
Agent to the
buyer/borrower
is acceptable;
see below
example); (3) if
the disclosure is
made through
email, then a
copy of the
email is
uploaded to the
transaction file
in exp's
transaction
management
system; if the
disclosure is
made in any
other written
form, it must be
signed and then
uploaded to the
transaction file
in exp's
transaction
management
system; and (4)
the Agent must
provide the
name and
contact



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information for at
least one
additional
mortgage loan
originator at the
time the referral
is made to

buyer/borrower.
Example: Agent
sends the
following email to
the
buyer/borrower:
"Dear
[Buyer/Borrower],
Here are a
couple of loan
originators for
your
consideration: 1.
Sally Smith of
Smith Mortgage
(732) 123-4567
2. Jenny Jones of
Jones Home
Loans: (732)
321-7654 *Jenny
is my spouse.
you can pick any
loan originator
you choose and
your options are
not limited to the
two individuals or
companies listed
in this email." C.
Title And Escrow
Companies **
(This section of
these eXp P&Ps
is applicable
when an Agent
has an ownership
interest in a title
and escrow
company or is a
member of any
team whose
team member
owns a title and
escrow
company.)** 1.
Step 1: Produce
an Affiliated
Business
Arrangement
(ABA) Disclosure
Form Agents that
own an interest in
a title and escrow
company must
use their own
ABA disclosure

form in all purchase and sale Transactions that they participate in on behalf of eXp; this is to be used in addition to eXp's own ABA disclosure form. Agents will have their own ABA disclosure form prepared. The proposed ABA disclosure form must name eXp (and the Agent) in the "From" line at the top of the form; the form must also contain language referencing eXp, substantially similar to the following: "eXp Realty, LLC, together with its subsidiaries and affiliates (collectively, "eXp"), does not have any relationship with Happy Harry's Title and Escrow Company, Happy Harry's Holdings, LLC, or Happy Harry's Agency (collectively, the "Harry Companies"), nor will eXp receive any benefit, financial or otherwise, from any referral to any of the Harry Companies given by Agent." References to the Harry Companies are for exemplary

purposes only;
Agent to use only;
those company
names applicable
to Agent. (Agents
are responsible
for updating their
ABA disclosure
form from time to
time so that it
always remains
in conformance
with applicable
law and any
changes in
factual
circumstances.
Each update to
an Agent's ABA
disclosure form
must be
accompanied by
an additional
legal opinion
letter, as more
fully discussed
below.) 2. Step 2
RESPA Attorney,



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Agent consults
with an attorney
of their
choosing that is
knowledgeable
in the Real
Estate
Settlement
Procedures Act
("RESPA"), for
the purpose of
having that
attorney review
the Agent's
proposed ABA
disclosure form

(and any updates to that form) at the Agent's sole cost and expense. The attorney will also be responsible for confirming the truth and accuracy of any entities and entity relationships referenced in the proposed (or updated) ABA disclosure form. If the Agent's attorney determines that the proposed (or updated) ABA disclosure form does not conform with RESPA or is less than true and correct, then the Agent or attorney will revise it so that it conforms to RESPA and is true and correct. 3. Step 3: Legal Opinion Letter After the Agent's attorney has determined that the proposed (or updated) ABA disclosure form conforms with RESPA, makes true and correct representations, and contains the recommended language that is needed for exp. the Agent's

attorney
proceeds to
draft a legal
opinion letter
for the benefit of
Agent and eXp
and upon which
each may rely
that among
other things, (1)
provides that
the attorney is
conversant in
RESPA, (2)
affirms that the
proposed (or
updated) ABA
disclosure form
conforms with
RESPA, (3)
substantiates
how/why it
conforms with
RESPA, and (4)
affirms that the
relationships
spelled out in
the ABA
disclosure form
are true and
correct. (Agent
must have a
new legal
opinion letter
produced each
time Agent's
ABA disclosure
form is
updated.) 4.
Step 4: Delivery
to eXp The
Agent provides
eXp with a copy
of both the
proposed (or
updated) ABA
disclosure form
and the Agent's
attorney's legal
opinion letter.
The proposed
(or updated)
ABA disclosure
form and legal
opinion letter
are to be routed

to eXp's Legal
Operations
Department for
its review. 5.
Step 5(a):
Authorization
for Proposed
ABA Disclosure
form. If eXp
receives
Agent's
proposed ABA
disclosure form
and the
accompanying
legal opinion
letter and its
Legal
Operations
Department
approves or
each of them,
then eXp will
present Agent
with a copy of
its Title &
Escrow eXp
Addendum
("T&E
Addendum") for
Agent's
signature.
Thereafter,
Agent will have
eXp's
authorization to
use, and shall
use, Agent's
proposed ABA
disclosure form
in connection
with each
Transaction that
they and any of
their team
members
engage in. 6.
Step 5(b):
Authorization
for Updated
ABA Disclosure
form. If eXp
receives
Agent's updated
ABA disclosure
form and the

accompanying
legal opinion
letter and its
Legal
Operations
Department
Department
approves of
each of them.
then eXp will
formalize its
approval in
writing, and
thereafter,
Agent will have
eXp's
authorization to
use, and shall
use, Agent's
updated ABA
disclosure form
in connection
with each
Transaction that
they and any of
their team
members
language in 7.
Step 6: Use
Once the
proposed (or
updated) ABA
disclosure form
and Agent's
attorney's legal
opinion letter
have been
approved by
eXp, Agent
shall use, and
shall cause
each member of
any team



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to which Agent
belongs (U

applicable) to use, Agent's proposed (or updated) ABA disclosure form in all Transactions that they participate in on behalf of eXp. Note Agent may not own a title and escrow company and also serve as a real estate licensee on behalf of eXp unless/until all the above referenced steps are completed. D. Home Warranty Companies ** (This section of these eXp P&Ps is applicable when an Agent wants to work with and be compensated by a home warranty company)** 1. Free to Contract with Home Warranty Company eXp will not prohibit an Agent from contracting directly with a home warranty company on their own individual behalf (and not on behalf of eXp), for purposes of rendering a "compensable service" (as such term is

used in Title 24
of the Code of
Federal
Regulations
Section
3500.14
(Prohibition
against
kickbacks and
unearned fees))
to that home
warranty
company. For
avoidance of
doubt, a
compensable
service is not
conditioned on
the referral of
business to that
home warranty
company.
rather, it is
services
actually
performed by
an Agent. Any
such contract
as between a
home warranty
company and
an Agent is not
to reference
eXp in any way.
2. No Review of
Contract eXp
will not review
or render any
opinion on the
sufficiency of
any contract to
be entered into
between a
home warranty
company and
an Agent as it
relates to the
Agent's
performance of
a
"compensable
service" for that
home warranty
company. 3. No
Referral Fees
No Agent may

receive
compensation
(i.e., a referral
fee) from a
home warranty
company if the
basis for such
compensation
is the making of
a referral of a
prospective
customer to a
home warranty
company. 4.
Free to Receive
Payment for
Compensable
Services exp
will not prohibit
an Agent from
receiving
compensation
directly from a
home warranty
company as a
result of the
Agent's
rendering of a
compensable
service for that
home warranty
company. exp
will not be a
payment
intermediary.
i.e., we will not
receive
payment from a
home warranty
company and
then forward
that payment
along to an
Agent. 5. No
Amendment to
ABA Disclosure
Form exp will
not amend its
ABA Disclosure
Form, or
produce or
authorize the
production of
any new exp
ABA Disclosure
Form, to

include
references to
any home
warranty
company with
whom an Agent
may be
individually
contracted.



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VIII. AGENT
FEES A. Standard
Fees Agent fees
include each of
those listed below
(note - unused
portions of any
monthly fees
previously paid
will not be
credited/prorated).
For avoidance of
doubt, an Agent
shall not be
assessed more
than once per
Transaction, any
Agent fees that
are generated on
a Transaction-by-
Transaction basis
(such as
Transaction
Review Fees,
Risk Management
Fees, and Capped
Status
Transaction
Fees). • Sign-Up
Fee: \$149*. This
sum includes an
Agent's first month
Cloud Brokerage
Fee. (*NYC
REBNY Agents
shall pay a Sign-

Up Fee of \$199.)
• Cloud
Brokerage Fee:
\$85* per month.
Includes access to
all platforms.
(*NYC REBNY
Agents shall pay a
Cloud Brokerage
Fee of \$165 per
month.) •
Washington
Workers
Compensation
Insurance: Agents
whose primary
state of licensure
is Washington
shall pay the
workers portion of
the Washington
Workers
Compensation
Insurance
premium as stated
on each annual
Rate Notice
issued by the
Washington State
Department of
Labor & Industries
prior to the start of
each calendar
year. •
Transaction
Review Fee: \$25
per Transaction.
All Transactions
(as defined in the
ICA) will include a
Transaction
Review Fee taken
as a charge
against the
Contractor Dollar
(defined below)
and shall be
deducted from all
Transactions,
excluding all
referrals, Broker
Price Opinions
("BPOs"), and
leasing/rental
commissions
under \$1,000

Gross
Commission
Income (defined
below) to eXp. •
Risk Management
Fee: \$60 per
Transaction. All
Transactions will
include a Risk
Management Fee
taken as a charge
against the
Contractor Dollar
Amount and shall
be deducted from
all closings,
excluding all
referrals, BPOs,
and leasing/rental
commissions
under \$1,000.
Gross
Commission
Income to eXp.
The annual per
eXp Agent cap on
payment of Risk
Management
Fees for non-
commercial
Transactions is
\$750. Commercial
Transactions do
not have a Risk
Management Fee
cap. • Capped
Status
Transaction Fee:
Once an Agent
has reached their
annual Company
Dollar Cap
amount and is in a
"Capped Status",
then that Agent
shall pay a
Capped Status
Transaction Fee in
an amount that is
the lesser of the
following: (a) 20%
of GCI, or (b)
\$250 per
Transaction. The
Capped Status
Transaction Fee

shall be collected
until \$5,000 has
been collected
(per Capping
Period), at which
point the Capped
Status
Transaction Fee
shall be collected
at the reduced
rate of \$75 per
Transaction for
the remainder of
that Agent's
Capping Period.



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PROCEDURES
This Capped
Status
Transaction
Fee applies to
each side of a
Transaction
closed by an
Agent in a
Capped Status,
unless the
Agent is in a
One exp
Agent, Two
Transaction
Sides'
transaction
(defined
below), in
which case the
Agent is
charged one
Capped Status
Transaction
Fee per
Transaction,
not per
Transaction
side. The term
One exp

Agent, Two
Transaction
Sides" means a
dual agency
transaction in
which one
natural person
represents a
buyer and
seller in the
same
transaction. For
avoidance of
doubt, if an
Agent in a
Capped Status
is representing
a seller, and
another Agent
in a Capped
Status is
representing a
buyer in the
same
Transaction,
then the Agent
that is
representing
the seller shall
pay their 20%
of GCI or \$250
(if they have
not already
paid \$5,000 in
Capped Status
Transaction
Fees for that
Capping
Period), or \$75
(if they have
already paid
\$5,000 in
Capped Status
Transaction
Fees for that
Capping
Period), and
the Agent that
is representing
the buyer shall
pay their 20%
of GCI, \$250,
or \$75 (as the
case may be),
for that
Transaction.

Revenue share
will not be paid
out on
Transactions
completed by
Agents in a
Capped Status.
Capped Status
Transaction
Fees will be in
addition to all
other
deductions and
fees. The
Minimum
Company
Dollar Rule
(defined below)
and the
Capped Status
Transaction
Fee are
separate from
each other.
When one
applies, the
other does not.
The Minimum
Company
Dollar Rule
applies when
an Agent is not
in a Capped
Status, and the
Capped Status
Transaction
Fee applies
when an Agent
is in a Capped
Status. In
situations
where more
than one Agent
together
represent either
(or both)
Transaction
side(s) in any
single
Transaction,
and because
the Capped
Status
Transaction
Fee is "per
Transaction

side" and not
"per Agent."
then the
Capped Status
Transaction
Fees are
always split
between
Agents on the
same
Transaction
side in an
amount equal
to the
proportionate
percentage of
the commission
each Agent
earns, as
reflected in the
applicable
Disbursement
Agreement.
Example 1
(Two eXp
Agents, One
Transaction
Side): If: •
Agent A and
Agent B are
both in a
Capped Status,
and • Agent A
has paid
\$1,000 and
Agent B \$2,500
in Capped
Status
Transaction
Fees during
their respective
then-current
Capping
Periods, and •
Agent A and
Agent B both
represented the
buyer in a sales
Transaction,
and • GCI is
\$10,000 •
Agent A
received 60%
of the
commission
and Agent B

received 40% of the commission. Then: • The applicable Capped Status Transaction Fee for both Agent A and Agent B would be \$250 because \$250 is less than the amount that equals 20% of GCI (that is, \$10,000 GCI x 20% = \$2,000); and • Agent A would pay \$150 (60% of the \$250) of the Capped Status Transaction Fee and



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his/her then-current Capping Period Then: • The \$250 Capped Status Transaction Fee would then be reduced to \$75 for Agent A because Agent A has paid a total of \$5,000 in Capped Status Transaction Fees; and • Agent A would pay \$45 (60% of the \$75) of the Capped Status Transaction Fee and Agent B would pay \$100 (40% of the \$250) of the Capped Status Transaction Fee. In the example above, each Agent will pay the percentage of their respective Capped Status Transaction Fee amount, if any, if the Agents have different applicable Capped Status Transaction Fee amounts. B. Minimum Company Dollar Rule Subject to the below referenced exemptions, Exp is to receive a minimum amount of

Company
Dollar on each
closed
purchase
Transaction.
and on each
closed sale
Transaction.
involving an
Agent who is
not in a Capped
Status. This is
known as the
"Minimum
Company
Dollar Rule."
The Minimum
Company
Dollar Rule
shall be applied
as follows: •
When the final,
gross sales
price of the
subject
property is
greater than or
equal to
\$83,333, then
the amount of
Company
Dollar to be
received by
eXp shall be
the greater of
(a) \$500, or (b)
an amount that
is equal to
twenty percent
(20%) of the
GCI. • When
the final, gross
sales price of
the subject
property is less
than \$83,333,
then the
amount of
Company
Dollar to be
received by
eXp shall be an
amount that is
equal to twenty
percent (20%)
of the GCI.

Each Agent has an obligation to act in good faith in his or her dealings with eXp. Therefore, and except as it pertains to exempted Personal Transactions, no Agent shall credit, reduce, or otherwise waive his or her rights to receive a real estate commission in amounts greater than thirty percent (30%) of the GCI, on any Transaction that is subject to the Minimum Company Dollar Rule without first receiving their State Broker's written approval. For avoidance of doubt, eXp does not mandate the amount of fees or percentages that an Agent charges clients. NOTE: The Minimum Company Dollar Rule applies to all purchase or sale Transactions, except as otherwise set forth in these P&Ps. The Minimum Company Dollar Rule and

the Capped
Status
Transaction
Fee are
separate from
each other,
when one
applies, the
other does not.
The Minimum
Company
Dollar Rule
applies when
an Agent is not
in a Capped
Status, and the
Capped Status
Transaction
Fee applies
when an Agent
is in a Capped
Status. For
avoidance of
doubt, the
Minimum



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Company
Dollar Rule
does not
reduce or
eliminate an
Agent's
obligation to
pay any other
applicable per
Transaction
fee; an Agent's
obligation to
pay all such
fees remain in
full force and
effect. 1.
Exemptions
from the
Minimum

Company
Dollar Rule
The following
Transaction
types are
exempt from
the Minimum
Company
Dollar Rule and
will be paid out
according to
the Agent's
regular
payment plan
per the terms of
the Agent's ICA
and in these
eXp P&Ps: a) 3
Personal
Transactions
per Anniversary
Year; b)
REQ/HUD
Listings; c)
Short Sales; d)
Rental
Transactions;
e) Referral
Transactions; f)
BPO
Transactions;
and g) Such
other
Transactions as
may be
determined by
eXp in its sole
and absolute
discretion on a
case-by-case
basis. C. Late
Fees. All
amounts
charged to the
Agent from eXp
for recurring
payments,
monthly Cloud
Brokerage
Fees, and/or
paid for
programs opted
in, and any
other fees
charged or
back-charged

for
reimbursement
per written
agreements
and policies are
due within 10
days from the
date of billing.
Any billing that
remains unpaid
more than 30
days past due
shall be
assessed a late
fee in an
amount that is
the lesser of
(a) \$25 or (b)
the maximum
amount allowed
under state law.
For avoidance
of doubt, no
unpaid invoice
shall be
assessed more
than one late
fee. If an
Agent's
account
reaches 90
days past
due/delinquent,
eXp may
terminate this
Agreement
pursuant to the
Termination
clause in the
ICA and any/all
pending
commission
payments
and/or revenue
share
payments shall
be forfeited to
the company.
Each Agent
shall pay eXp
in full, any past
due fees and
other amounts
owing from that
Agent upon
demand, and

any unpaid
balances shall
be subject to
collections
and/or formal
legal
proceedings.
Additionally, if
an Agent has
elected to
participate in
the 2015 Agent
Equity
Program, the
Agent's
participation will
be temporarily
suspended until
eXp has been
paid in full. D.
eXp Right to
Payment eXp
has the
irrevocable
right to seek
payment or
reimbursement,
as applicable,
from each
Agent, in
connection with
the
Reimbursable
Amounts.
Payment or
reimbursement
of
Reimbursable
Amounts may
be obtained by
eXp, through
any (or any
combination) of
the following
methods: (i)
offset against
any fees,
commissions,
revenue
sharing, other
compensation,
or any
combination
thereof, owed
by eXp to an
Agent; and (ii)

using an
Agent's
preferred
payment
method then on
file with eXp.



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and Procedures
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POLICIES AND
PROCEDURES E.
Agent Fees Non-
Refundable All of the
above referenced
fees are non-
refundable. Sales tax
laws and regulations
for each state
determine whether a
fee is subject to sales
tax. If applicable,
sales tax is applied
as a separate line
item on the Agent's
statement. eXp
reserves the right to
adjust this fee
schedule. For the
avoidance of doubt,
nothing in this
section shall
preclude eXp from
having the ability to
make any
adjustments or
corrections; any such
adjustments or
corrections shall not
constitute a refund to
Agent. IX.
ACCOUNTING AND
COMMISSIONS A.
1099 Agents will
receive Form 1099
on or before January
31 of the calendar
year following their
earnings in
compliance with
requirements

published by the Internal Revenue Service. Total earnings reported to Agents will include Agent commissions earned, revenue share earned, and stock issuances (ICON Agent Awards, stock awards, etc.). All information reported to the Internal Revenue Service is reported on a cash basis, thus all commissions reported are based on the calendar year in which the Agent was paid. For example, if a home closed for a client on December 30, but aXp did not receive final paperwork until January 2, and the Agent was paid on January 3, that transaction will be included on the next year's Form 1099. Please consult a tax advisor for proper reporting of taxable income and deductions. Upon submitting an email request to ap@exprealty.com, Agents can receive a 1099 Report with the breakdown of earnings and fees paid within the period. Agents that are licensed in more than one state will be paid in accordance with the real estate licensing laws and rules of the most restrictive state in which that Agent is licensed. B.

Commissions; Other
Fees From Clients
The Agent's
commission shall be
made payable to the
name or entity on file
with the State
Department of
Licensing and the
current W-9 on file
with eXp. The name
on file with the
Department and the
name on the W-9
must match in order
for payment to be
rendered by eXp to
the Agent. If the
Agent elects to be
paid as a PC or
PLLC, LLC or Agent
corporation/company
name, as allowed by
state and federal law,
the Agent must
amend his/her W-9 to
reflect the proper
name and tax
identification number
of the entity and
advise eXp of the
same. Agents shall
not be paid in the
name of a PC or
PLLC, LLC or Agent
corporation/company
name without
complying with all
State Department of
Licensing rules and
regulations as well as
federal and state law.
For the avoidance of
doubt, if Agent elects
to get paid under a
PC or PLLC, LLC or
Agent
corporation/company,
the entity must be
both, (1) duly
licensed, active, and
in good standing with
the State Department
of Licensing, and (2)
validly formed,
existing, and in good

standing with applicable state office or agency that administers the formation and maintenance of legal entities (such as a state's Office of Secretary of State, Corporation Commissions, or such analogous office or agency). An Agent cannot transact real estate brokerage business for payment, in a state in which an Agent is not licensed.



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POLICIES AND PROCEDURES
All commissions, including but not limited to, retainers (that is, all fees, deposits, or other monies requested from a consumer that are to be used to retain the professional real estate services of an Agent), rental commissions, administrative fees, document storage fees, broker price opinions, and any additional fees charged to the consumer

by the Agent
(such as, for
example, any
Administrative
Transaction
Fee), shall be
made payable
to eXp and
shall be subject
to any
applicable
splits. At no
time shall the
Agent accept
client payments
made payable
to themselves
directly. All
commissions
and Agent-
collected fees
are subject to
applicable
Company
Dollar and
Contractor
Dollar
commission
splits. Any
agreement to
share
commissions
between
Agents within
eXp shall be
done so in
writing. All
agreements
shall be
uploaded and
stored in eXp's
transaction
management
system. In the
absence of a
signed written
agreement
between
Agents, eXp
shall pay the
entire Agent
share of the
commission to
the Agent(s)
whose name(s)
appear on the

transactional document between the principals (to be divided equally between those Agents if more than one and not otherwise specified). Except for team disputes, eXp will make the final determination regarding commission disputes between Agents licensed with eXp. All referrals between Agent and any other eXp-related agent must be documented on that eXp-approved Referral Agreement for use in the originating brokerage jurisdiction. For example, if an eXp Agent in Utah were to refer a client to an agent in Italy that is affiliated with eXp Italia S.r.l. (that is eXp's affiliate operating in Italy), then that referral relationship must be memorialized in the form of Referral Agreement as used and approved by eXp in Utah.

Conversely, if
an agent
affiliated with
eXp Italia S.r.l.
were to refer a
client to an eXp
Agent in Utah,
then that
referral
relationship
must be
memorialized in
the form of
Referral
Agreement as
used and
approved by
eXp Italia S.r.l.
An Agent may
only receive
payment
related to a
transaction if
any one or
more of the
following apply:
(1) they are
designated on
the transaction
paperwork as
the Agent
representing a
party to the
transaction; or
(2) they have a
written referral
document in
eXp's
transaction
management
system; or (3)
they have the
appropriate
team
documents on
file with eXp
indicating, with
specificity,
when and in
what amounts
compensation
to the Agent is
to be made; or
(4) with the
prior express
written consent

of an attorney
within eXp's
Legal
Operations
Department or
a Designated
Managing
Broker ("DMB")
(or higher) in
eXp's
Brokerage
Operations
Department.
This prohibition
applies
regardless of
whether an
Agent seeks to
modify a
general
agreement
concerning all
transactions, an
agreement
concerning
transactions
within a specific
category, or an
agreement
concerning a
specific
property. This
prohibition
extends to
changes in
commission an
Agent would
otherwise
receive even
for theoretical
transactions
that are not yet
under contract.
Any sales
incentive, gift,
and/or bonus
received shall
be paid to eXp.
eXp treats
bonuses, gifts
and incentives
as any other
commissions
and will pay the
Agent based on
the Agent's

current split. C
Commission
Advances
Commission
advances are
not offered by
eXp directly but
may be
obtained in
accordance
with the
following
procedures.



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PROCEDURES
1. All
commission
advances must
be approved in
writing by the
State Broker in
advance. 2.
Prior to signing
any
commission
advance
agreement, the
Agent must
have the listing
file (with an
accepted
purchase and
sale contract)
or the
transaction file
uploaded in
eXp's
transaction
management
system, and it
must have
passed eXp's
approval
process. 3. An
Agent may only
receive up to

70% of the net
commission
due to the
Agent as a
commission
advance, or an
amount less
than \$20,000
and up to
\$3,000 on
active listing
advances.
[Note:
Commission
advance
companies
outside of the
eXp preferred
partners
network may
offer different
amounts].
Exceptions to
this general
rule may be
made on a
case by case
basis in
extenuating
circumstances,
as determined
by eXp in its
sole and
absolute
discretion. 4.
Agents may
receive multiple
commission
advances but
the aggregate
of all
commission
advances that
an Agent may
have
outstanding at
any one time
shall not
exceed
\$20,000. 5. A
\$100 service
charge
[("Service
Charge") will be
added to 1)
any advances

made from a
commission
advance
company that is
outside of the
eXp - preferred
partners
network, and 2)
and UCC liens
presented to
eXp - from a
commission
advance
company,
seeking
payment of any
unpaid
commission
advance(s). D.
Actions for
Unpaid
Commissions
or Procuring
Cause Claims
A decision to
proceed with
legal action,
mediation or
arbitration
against a party
owing a
commission to
eXp - will be
made solely at
the discretion of
eXp. eXp shall
not have any
monetary
obligations to
the Agent or
any other party,
resulting from
brokerage fees
and/or
commissions
that are
uncollected.
Agents may
obtain
independent
counsel as
desired to
pursue and/or
defend their
position during
mediation or

arbitration. eXp shall not supply counsel to pursue these items. Should the Agent be named in a mediation or arbitration as the respondent, eXp reserves the right to require that the total amount of the disputed commission is held by eXp until the mediation or arbitration results are received. Should eXp and the Agent not prevail, the Agent shall pay all commission amounts immediately to eXp. An Agent does not have the authority to reduce, defer or replace any portion of eXp's splits or fees without the written consent of the State Broker, or eXp. E. Referrals Payments and Relocation Companies Referrals shall only be paid to licensed Agents in conjunction with all Department of Licensing rules and regulations. However, as it pertains to any international

referrals concerning jurisdictions that do not require licensing, such referrals will be facilitated in accordance with that jurisdiction's laws, rules, and regulations. All referrals between an Agent and any other non-eXp agent or brokerage must be in writing and uploaded into eXp's transaction management system. All third-party referrals are subject to eXp split and eXp cap rules.



eXp Realty Policies and Procedures Page 30 of 85 Version: USA 05.09.2024 POLICIES AND PROCEDURES Outbound referral fees are taken off the top of a transaction and directed to the referral/relocation companies. F Perceived Commission Discrepancies Agents shall have ninety (90) days following original disbursement of a commission to notify eXp's Transaction Processing Team (via email only to commissiondispute@exprealty.net) of any perceived commission discrepancy resulting in a payment shortage to the Agent. eXp will evaluate the Agent's notification and if eXp agrees that there has been a payment discrepancy at the Agent's expense, eXp will correct such a discrepancy. However, if

the Agent fails to timely notify eXp's Transaction Processing Team of any such perceived commission discrepancy within the time and manner specified, then the subject commission payment amount will be deemed correct and final by eXp, and that amount, whatever it may be, will be used and relied upon by eXp for all purposes under the Agent's ICA. For the avoidance of doubt, nothing in eXp's P&Ps shall preclude eXp from reopening any matters or revisiting any files, at any time, in instances where there may have been any commission discrepancy resulting in a payment shortage to eXp (e.g., an overpayment to an Agent); eXp reserves all rights to seek immediate reimbursement from an Agent for such amounts in such instances. X.MARKETING AND ADVERTISING As a representative of eXp, Agents are expected to adhere to the highest standards of conduct and professionalism. This extends to all marketing and advertising activities including social media, digital, print and other forms of content used to communicate with potential clients and prospective Agents. A. Compliance with Laws, Guidelines, and Regulations 1. Agents are prohibited from posting inaccurate or misleading information in all of their content whether intended for clients or prospective Agents. Agents' marketing, advertising and communication must be completely factual. 2. All marketing, advertising, and communication, whether for property listings, Agent Attraction, or general purposes, must adhere to all federal, state, and local laws and regulations (e.g., any REALTOR® Code of Ethics, fair housing, antitrust, license, copyright, etc.), including, when using any tools or communications provided by or on behalf of eXp. This includes broad-based mandates like the Telephone

Consumer Protection Act ("TCPA"), including "do not call list" guidelines, the Telemarketing Sales Rules ("TSR"), the CAN-SPAM Act, Federal Trade Commission ("FTC") rules, Securities and Exchange Commission ("SEC") regulations, and state and national tortious interference laws, and their implementing rules and regulations (collectively, "Solicitation Laws"). For avoidance of doubt, eXp cannot and does not make any representations to Agents concerning the lawfulness of the content and/or manner of transmission of any communication or communication tools provided to Agents that may be provided or offered by eXp or any of eXp's affiliated partners, any eXp provided lead generation



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POLICIES AND PROCEDURES vendors, or in or through any training classes or materials provided by or through any other Agent or eXp employee. Agents must consult their own legal counsel before using any eXp tools and/or communication.
3. Agents are solely responsible for the content of any and all communications and the means of communication (phone, fax, text, etc.) with any third parties, including customers, potential customers, leads or other individuals or entities, and Agents are solely responsible for complying with any laws, and payment of taxes and tariffs applicable in any way to an Agent's real estate practice and marketing or any other service offerings contemplated in an Agent's

real estate practice. AGENT
IS EXPRESSLY PROHIBITED
FROM ENGAGING IN ANY
COMMUNICATIONS
VIOLATIVE OF THE
SOLICITATION LAWS OR
ANY SIMILAR FEDERAL
STATE, OR LOCAL LAW
RULE, OR REGULATION AS
AN AGENT OF EXP, AND
DOES NOT HAVE EXPRESS
IMPLIED, OR APPARENT
AUTHORITY TO MAKE
SUCH COMMUNICATIONS. If
eXp becomes aware that it
has received compensation
from any transactions in which
an Agent engaged in violative
calls, eXp will return any such
compensation and such a
return shall be intended to
constitute full rejection (as
opposed to ratification) of
such conduct. 4. Agents are
responsible for ensuring that
all advertisements are HUD
and RESPA compliant.
Furthermore, Agents must
adhere to the standards of the
REALTOR® Code of Ethics
and the rules of Boards or
MLSs. 5. Agents may not use
the name, likeness, or
reference to or of any other
Agents in their own marketing
materials without first
obtaining the referenced
Agent's prior written consent.
B. eXp Brand Guidelines 1.
Use of eXp logo and name are
considered advertising and
must be approved in advance.
Please send your Agent-
created content to your State
Broker through their
designated email address. 2.
Agents must read and comply
with the eXp Brand
Guidelines, which can be
found at
join.exp Realty.com/brand, for
brand and logo usage. 3. eXp
provides Agents with access
to a vast library of pre-
produced and pre-approved
marketing and advertising

content through the eXp Marketing Center which can be found at www.expmarketingcenter.com. Agents are encouraged to utilize this tool to the furthest extent possible. All content in eXp Marketing Center has been reviewed and approved by eXp's Marketing, Agent Compliance, and Legal teams. Note: Any content used by Agents from eXp Marketing Center must also be reviewed and approved by the State Broker prior to publication to ensure compliance with state guidelines (see more about Review and Approval below).

4. Agents must properly brand their content to avoid leading viewers to believe that their website, social media profile, presentation, or other marketing content is official eXp marketing collateral. Agents must prominently identify themselves and provide their contact information on all content. Specific to websites, Agent's name and/or team name, as well as eXp's logo should be visible above the fold.



eXp Realty Policies and Procedures Page 32 of 85 Version: USA 05.09.2024 POLICIES AND PROCEDURES 5. Use of the letters or trademark "eXp" or "eXp Realty" in DBA, entity names, domain names, social media handles, channel names, and other social media is prohibited (e.g., @expreatlyohn, @expreatlytx, etc.). 6. Agents may use a combination of their name or team name

along with the phrase "eXp Realty"™ to name pages on Facebook and other similar platforms (e.g., The John Doe Team ~ eXp Realty). 7. The use of the letters "eXp" or the name "eXp" in social media profiles or page names to claim a geographic area or specific location is prohibited (e.g., eXp of Bellingham, eXp Washington, etc.). C. Intellectual Property Rights eXp respects the valid intellectual property of others, and we fully expect our employees and Agents to do the same, in the same way we expect others to respect our intellectual property. Agents shall not infringe the intellectual property rights of others in the course of providing real estate agent services, including (a) avoiding the use of any trademarks that would in any way be confusingly similar to the senior trademarks of others, and (b) avoiding the use of any unlicensed images or other media of others. 1. Permission to Use eXp Trademarks a) In order to keep the eXp brand strong and enforceable, eXp is required to control its use and maintain consistency and quality associated with its use. As an Agent of eXp, in the course of promotion of real estate services, Agents may only use eXp trademarks (e.g., eXp, eXp, and/or the logos associated therewith), in a manner consistent with the eXp

Brand Guidelines, which can be found at join.exprealty.com/brand. b) Moreover, Agents should not do anything that would damage or dilute the goodwill associated with eXp trademarks. To the extent eXp determines that an Agent's use of an eXp trademark is, in any way, harmful to eXp, or its trademarks, the Agent will modify his/her use immediately after notice from eXp to conform to eXp's standards. c) eXp may revoke any permission to display eXp trademarks if an Agent does not comply with the policies in this document. 2. eXp Trademark Usage a) Agents may only use eXp trademarks to promote their activities as Agents with eXp and not for any other purpose. Prohibited uses include using eXp trademarks to promote Agent-hosted events without obtaining permission from eXp. b) Agents may not use any eXp trademarks or branding content to sell products or services online or elsewhere, such as accessories, or apparel, etc., or to promote the products or services of others, unless eXp grants a written license to do so. c) Agents should use the eXp Realty logo, together with their team name and/or team logo, in their advertising and communication content to avoid confusion with official eXp



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created advertising and
communication. d)
Agents must not use the
trademark eXp, EXP, or
variations thereof, or any
other eXp trademark, in
any website domain,
email address (other
than provided by eXp),
social media handle, or
social media page. e)
Agents may not use any
eXp Commercial related
trademark for any
purposes unless they
are also affiliated with
eXp Commercial and
subject to an eXp
Commercial-specific
Independent Contractor
Agreement. Use of eXp
Commercial-related
trademarks shall be
subject to those terms
and conditions set forth
within eXp Commercial
U.S. Policies and
Procedures, which, for
the avoidance of doubt,
is distinct and separate
from the policies set
forth within these eXp
P&Ps. 3. Unlicensed
Content and Trademarks
a) Agents may not use
unlicensed images or
other unlicensed media
(e.g., photos, videos,
music, etc.) in promoting
the Agent's real estate
services. b) All media
used by the Agent, other
than media owned by
the Agent, must be
acquired from a
reputable licensor (e.g.,
reputable stock image
supplier). c) Agents are
prohibited from using

trademarks or names in promoting their real estate services that are confusingly similar to the trademarks of others. To avoid such trademark conflicts, Agents shall not infringe the trademark rights of others in promoting their real estate services. D. Review and Approval All content used by Agents for marketing and advertising must be reviewed and approved prior to publication by the applicable State Broker, and by Regulatory Relations (where applicable). Agents can submit custom-created content for review and approval by following the Review and Approval Process set out below. E. Review and Approval Process 1. Agents shall perform a self-review of their custom-created content and make updates consistent with the exp Brand Guidelines, which can be found at join.exp Realty.com/brand. 2. Custom-created content must be submitted for review and approval via email to the applicable State Broker team. 3. The Agent Compliance team and applicable State Broker will receive the request and initiate the review process. 4. As soon as necessary reviews and approvals are completed (within two (2) business days for most submissions), the State Broker will notify the Agent of required changes or approval for publication.



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POLICIES AND
PROCEDURES
5. With final
approval
Agents can
freely use their
custom content
in their
marketing and
advertising
efforts. F
Property
Related
Advertising All
property-related
advertising
including yard
signs, flyers,
door hangers,
digital ads
(web, social
media, etc.)
may not be
published or
placed until
eXp has the
executed listing
agreement. 1.
Yard Signs a)
Signs must
comply with all
local, state and
federal
requirements
b) Signs used
must be signs
designed by or
expressly
approved by
eXp. This
includes sign
riders,
directional
signs, sold
signs, and
other signs as
needed to
support the

listing. Approval
can be
obtained
through the
review process
outlined above.
c) Most MLSs
prohibit putting
up a "For Sale"
sign before
entering the
listing in the
MLS. A listing
must be
reported when
it is taken and
when it is sold
within certain
limitations.
Agents must
follow the MLS
rules and
comply. Any
fine that results
due to a
violation of this
policy will be
paid by the
Agent and not
the State
Broker or Exp.
2. Flyers, Door
Hangers, etc.
a) Printed
content must
comply with all
local, state and
federal
requirements.
b) Review and
approval of
flyers, door
hangers, etc.
can be
obtained
through the
review process
outlined above.
3. Online
Advertisements
and Content a)
Agents may
post property-
related content
to their own
websites.

blogs, and
social media
profiles and
pages
provided. b)
Agents may
use paid or
boosted
advertisements
through social
media, search
engines, or
other online
platforms for
the purchase or
sale of client
property. c)
Online
advertising and
content
marketing must
be approved by
the State
Broker or eXp
prior to posting.
G. General
Advertising 1.
In Any Medium
Under no
circumstances
may an Agent
hold
themselves out
to the public, or
advertise in any
medium
(including,
without
limitation, in
their email
signature block,
or when
engaging in
recruiting
efforts), that
they are an
"owner agent"
of eXp, even if
the Agent owns
one or more
shares of stock
in eXp World
Holdings, Inc.
For avoidance
of doubt, the
foregoing

prohibition is
entirely
unrelated to,
and distinct
from, an
Agent's
obligation to
disclose and/or
advertise that
they are an
"agent owner"
of any real
property that
they maintain
as a listing.



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POLICIES AND PROCEDURES 2.
Business Cards Unless the Agent
has the express permission
(through the official review
process) on a design different from
those provided by eXp, the Agent
will use an eXp-approved design.
Template designs are available to
Agents in eXp Marketing Center.
All Agent business cards will have
the following identifying
information on the cards: a)
Brokerage name. b) Agent name
as it appears on state licensing
documents. c) Agent title. (1) Title
may include any of the following
where allowed: (a) REALTOR® (b)
Real Estate Professional (c)
Buyer's Agent (d) Listing Agent (2)
Title may also list a professional
designation as recognized by the
National Association of
REALTORS®. (a) CRS, ABR,
SRS, RSPS, etc. (3) Agents
cannot use a title that would
reasonably lead someone to
believe that the Agent is an
employee of eXp or representing
themselves as an employee of eXp
(e.g., Recruiter, Recruiting
Manager, Vice President of Agent
Attraction, Growth Leader) or any
other such term or title that may
cause confusion as to the Agent's

position with eXp. (4) Additional
items which may be included on
the front of business cards: (a)
eXp provided alias email address
(b) Agent's direct phone number
(c) eXp website or Agent's careers
site (d) Social media accounts
such as LinkedIn, Facebook
and/or Twitter (e) Personal
business website or blog d)
Business cards must adhere to all
applicable state-specific
requirements such as real estate
license number(s), MLS
number(s), font size, etc. 3. Social
Media a) Agents must learn and
abide by the terms of service of
any social networks or online
advertising platforms. b)
Shareable social media content
can be found at
www.expmarketingcenter.com and
on eXp's respective social media
channels, including those that are
linked at
www.expworldholdings.com/social.
c) Agents may not use social
media to compete with eXp or
engage in conduct that could
create a conflict of interest.



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POLICIES AND
PROCEDURES d) Social
media content that is
discourteous, aggressive,
defamatory, discriminatory,
sexually explicit, offensive,
or in any other way
damaging to viewers is
prohibited. (1) Attacks or
harassment against
protected classes based
on race, religion, age,
gender, familial status,
sexual orientation,
disability, national origin,
veteran status, and/or
genetic information are not
allowed. (2) Agents are to
avoid arguments and

aggressive language on social media that could leave a negative view of eXp and/or impact the Agent's business. (3) Agents shall demonstrate respect to other eXp Agents, staff, clients, and potential clients and Agents, by not using social media to make defamatory or negative comments about eXp or other persons affiliated with eXp (e.g., staff, customers, vendors, contractors, service providers, etc.). (4) Agents are responsible for their social media channels and content. Any violation of these policies can lead to sanctions, and up to termination. e) Agents must identify themselves clearly and avoid deceptive titles that would reasonably lead the public to believe the Agent is an employee of eXp (e.g., Director of Agent Attraction at eXp, CEO of Revenue Share at eXp, etc.) (1) Agents must identify themselves as Agents, sales representatives, brokers, etc. with eXp Realty, and in accordance with state guidelines. (2) If an Agent is using a title within their team structure, they should clearly state their position in the team, the team's name, and include that the team is with "eXp Realty" (e.g., John Doe, Team Lead – Team Excellence, with eXp Realty). (3) Agents are prohibited from claiming they own or have rights to exclusively represent eXp for any given geographical territories via social media, websites, job ads, etc. (e.g., "John Doe – eXp Bellingham, Washington").

(4) Agents must adhere to state-specific rules and guidelines for profile and page names, as well as all other content on social media networks. f) Social media pages, profiles or handles that contain eXp branding and content may contain Agent team names if the Agent's team name has been appropriately registered with eXp and the state department of real estate where required. g) Shared statistics about eXp (Agent count, rankings, etc.) should be cited and verified with eXp before posting. h) Paid advertisements for Agent Attraction are not allowed through social media platforms or search engines. See the Agent Attraction section for more information. i) See something, say something. If an Agent sees something on social media that requires an official eXp response or violates the policies and procedures or ICA, they are encouraged to contact compliance@exprealty.net. The team will respond within two business days.

4. Websites a) Websites containing eXp brand or logo must have prominent above-the-fold co-branding



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for the Agent/Agent team and eXp. Users should be able to reasonably differentiate between

Agent-created sites and official eXp sites. b) Domain names used for real estate or relating to eXp's business may not use the trademark "eXp" or the letters "exp" in the domain name (e.g., expbellingham.com, expwashington.com, realestateeXperts.com, etc.). c) Agents are responsible for ensuring articles, blogs, downloadable files, and all online content are accurate and not misleading. d) If content (blog post, article, etc.) is hosted on a site other than the Agent's, approval should be obtained through the Review and Approval process mentioned above. (1) Upon publication and distribution, Agents should monitor channels daily for the first week, then weekly thereafter for any false or defamatory comments. (2) Comments that are false or misleading should be removed or addressed through proper communication channels. e) Revenue share calculators and similar tools or applications are not allowed and should not be made available or published on Agent-Owned websites, or elsewhere. H. Promotional Discount Advertisements. From time to time an Agent may decide to offer and advertise promotional discounts in order to generate

additional listings for themselves. Any Agent that elects to offer and advertise such promotional discounts must ensure that such advertisements clearly and conspicuously state that the promotional discount is being offered exclusively by the Agent, and not by eXp, and approved as outlined above. I. Co-Marketing and Co-Listing Arrangements eXp does not prohibit Agents from engaging in co-marketing arrangements and/or co-listing arrangements, as between eXp, on the one hand, and a non-eXp brokerage firm, on the other hand, provided that any such arrangements conform with, and are not violative of, all applicable law, rules, and regulations. If Agents are interested in engaging in any such arrangements, they must first consult with their State Broker. J. Employment Ads and Job Postings Agents may not create employment ads or job postings for the sole purpose of attracting prospective Agents to grow their Revenue Share Group within the eXp Sustainable Revenue Share Plan. Advertisements for open positions may only be used to recruit prospective Agents to join a registered team in a salaried or shared commission position or

to hire individuals for paid support positions. All employment ads or job postings must adhere to local laws and regulations, exp policies, and National Association of REALTORS® advertising guidelines. The use of job websites, online classifieds, employment-related search engines, and paid advertisements for the purpose of posting a job or creating an employment ad is limited to the following criteria:



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eXp) must be reviewed and approved by the State Broker and by eXp's Agent Compliance team prior to publication. The job description must also include the following disclaimer: "[TEAM NAME] is a team of licensees independently contracted with eXp. The position in this ad is not a listing for direct employment. The earning potential, perks, benefits, and access to systems listed within this description are contingent upon the applicant signing an Independent Contractor Agreement with eXp." 3. Employment ads or job postings for support staff (scheduling coordinator, valuation specialist, transaction coordinator, etc.) must also be reviewed and approved by the Agent Compliance team via compliance@exprealty.net. Independent Contractors not affiliated with a team may also post jobs and employment ads to build their support staff. 4. An independent Agent who wishes to form a registered team may use job sites, online classifieds, or employment-related search engines to advertise for their first salaried position or Agent team member. The Agent should submit their intention to form a team and their advertisement to their State Broker and to eXp's Agent Compliance team for review and approval prior to posting and indicate that it is an advertisement for the initial team member. 5. Agents shall not advertise under false pretenses and/or offer what appear to be positions of employment with eXp, eXp World Holdings, Inc., or any of its subsidiaries

and/or advertise content which is otherwise misleading. Employment ads should include Agent team name and indication of affiliation with eXp (e.g., John Doe Real Estate Team – by, with, or of, eXp). 6. Job listings must not contain eXp branding, official images, logos, or other intellectual property with the exception of an eXp logo. Employment advertisements must not contain links to official eXp job listings or websites. 7. Income as an eXp Agent through commission or revenue share is not guaranteed and is based on productivity. Unless the position for which the Agent is hiring has a set base hourly rate or salary amount, then the amount listed in the wages or salary section of the employment ad must say “commission-based” or an equivalent. If platform rules do not allow a non-specific amount, Agents must select the lowest wage or salary amount allowed and provide information about earning potential within the body of the description. Job postings must follow platform guidelines for independent contractor, non-employee (1099) positions if there is no base wage or salary offer. K. Media Relations eXp has furnished Agents with the “Media Relations Guidelines and Best Practices” resource that they should read and understand before engaging with the media. This resource can be found at exprealty.com/publicrelations. Any additional questions or requests related to media relations should



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pressreleases@exprealty.com.
All press releases mentioning
eXp must be pre-approved
prior to distribution and include
the following language: "[insert
name] is an independent
contractor of eXp and this is
not an official press release of
eXp, its parent company eXp
World Holdings, Inc., or any
related subsidiary." Once
approved via the above email
address, the press release
cannot be modified without
additional approval for the
modifications. Please refer all
media requests to talk about
eXp, services, products, data,
stock price, market expansion,
etc. to
pressreleases@exprealty.com.
Media requests about the
Agent's opinion on the local
market are acceptable. Agents
should refrain from speaking
directly about eXp or
speculating on the stock price
of eXp World Holdings, Inc.
We discourage Agents from
discussing national industry
issues or local/national
competitors. L. Content
License And Model Release
Provided By An Agent Unless
otherwise expressly agreed
upon in writing between eXp
and Agent, to the extent an
Agent provides to eXp or any
of its affiliates or licensees (not
to be confused with real estate
licensees) (collectively, "eXp
Licensees"), any photographs,
images or content of any type
created or otherwise owned by
the Agent (collectively, "Agent
Content") including, without
limitation, by uploading such
Agent Content via any online
network operated by an eXp
Licensee, Agent retains
ownership to such Agent

Content but Agent hereby grants eXp Licensees a royalty-free, irrevocable, world-wide, perpetual, non-exclusive license to publicly display, distribute, reproduce and create derivative works of the Agent Content, in whole or in part, in any media, including on any eXp Licensee website, for any purpose, including advertising and promotion of eXp Licensee services and/or products. 1. Agent warrants and represents that Agent Content provided by Agent to eXp Licensees does not violate the intellectual property of others. eXp Licensees will not be required to pay any additional consideration or seek any additional approval in connection with using the Agent Content provided by Agent, and eXp Licensees retain exclusive and sole discretion as to whether to use such Agent Content or reject or remove such Agent Content from any online systems operated by any eXp Licensees. 2. Moreover, to the extent Agent provides to any eXp Licensees, or otherwise consents to allow eXp Licensees to receive and/or record any photographs and/or verbal statements of the Agent as a model, Agent hereby provides eXp Licensees with the irrevocable right to use Agent's name (or any fictional name), likeness, picture, portrait, photograph, video, and voice in all forms and in all media and in all manner, without any restriction as to changes or alterations (including but not limited to composite or distorted representations or derivative works made in any medium) for advertising, trade, promotion, exhibition, or any other lawful purposes, and Agent waives any right to

inspect or approve such photograph(s) or finished version(s) incorporating such photograph(s), including any written materials or other content that may be created and appear in connection therewith. Agent acknowledges and agrees that eXp may record any instances occurring within eXp World, and that all Agent avatars and/or voices are subject to recordation and subsequent use by eXp. For example, if you



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attend any eXp in-person events (as an Agent), and photographs are taken, those photographs may be used by eXp for any purposes; that is, eXp is free to use them in advertising, on social media sites, etc. The preceding is but one example, and is not intended to limit the license being granted to eXp. 3. Agent hereby waives all moral rights as to such photographs and releases and shall hold harmless eXp Licensees, and their assigns, licensees, successors in interest, agents, employees and representatives

from any liability by virtue of any blurring, distortion, alteration, or use in composite form whether intentional or otherwise, that may occur or be produced in the taking of the photographs, or in any processing thereof. XI. REPRESENTATION ON REALTOR® ASSOCIATION AND MULTIPLE LISTING SERVICE BOARDS OF DIRECTORS. A. Associations of REALTORS® Being elected to serve on a Board of Directors of a REALTOR® Association is both an honor and a privilege that also carries responsibilities. An Agent's role on the Board of Directors, while earned by personal excellence, reflects upon eXp as their brokerage. In general, eXp leaves local Association business decisions in the Agent's capable hands, however there are areas where eXp requests that the Agent consider the welfare of the brokerage as being the deciding factor in the vote. Specifically, if there are opportunities for either physical or data consolidation, eXp asks that the Agent strongly

support them as
being beneficial to
the industry and to
Exp as a national
brokerage. From
time to time, Exp
will publish
guidance as to our
position on issues
specific to the
National Association
of REALTORS® or
at the state or local
levels. Please
consider that
guidance as being a
recommended
course of action
when voting. If an
Agent has any
questions, please
do not hesitate to
contact the VP(s) of
Brokerage
Operations. B.
Multiple Listing
Services Agent
access to their
local/regional
multiple listing
service ("MLS") is
always via the
broker participant.
Agents cannot join
an MLS without the
broker first
becoming a
participant of the
service. When
serving on the
Board of Directors
of an MLS, Exp
Agents and regional
brokers will bear in
mind that because
we are a brokerage,
not a franchise
model, access to
the MLS is
conditional upon
Exp's approval. As
a result, policy and
business decisions
regarding MLS on
the national, state
and local levels will

conform precisely to
stated eXp policies
and positions. In the
absence of a stated
position, ... elected
volunteers usually
cannot go wrong by
choosing consumer-
friendly policies that
enhance data
collaboration
consolidation and
the freedom of the
broker to use MLS
data in ways
conforming to



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generally
accepted
practices on the
Internet. XII.
EXP
SUSTAINABLE
REVENUE
SHARE PLAN
The eXp
Sustainable
Revenue Share
Plan exists to
provide a
financial
incentive to the
Agents with
eXp who have
helped grow
sales within the
eXp family of
real estate
brokerage
companies
The Revenue
Share Plan
aims to pay out
50% of
Company

Dollar (referred to as the Revenue Share Pool) to Agents who help eXp's sales grow by attracting fellow agents to join its ranks. As defined in the ICA, Company Dollar is that dollar amount (typically equivalent to 20% of GCI) that eXp retains from commission earned on closed Transactions. The Revenue Share Plan guidelines are defined and explained below. A. Definitions Tier: The hierarchy of Agents that are sponsored in succession beginning with the Agent and each group of Agents thereafter, as follows: • Agent. • Tier 1: the group of eXp Agents sponsored by the Agent. • Tier 2: the group of eXp Agents sponsored by Tier 1 eXp Agents. • Tier 3: the group of eXp Agents sponsored by Tier 2 eXp Agents. • Tier 4: the group of

eXp Agents
sponsored by
Tier 3 eXp
Agents. • Tier
5: the group of
eXp Agents
sponsored by
Tier 4 eXp
Agents. • Tier
6: the group of
eXp Agents
sponsored by
Tier 5 eXp
Agents. • Tier
7: the group of
eXp Agents
sponsored by
Tier 6 eXp
Agents.
Revenue Share
Group: An
Agents
Revenue Share
Group consists
of the Agents
he or she
personally
sponsors to join
the sales ranks
of eXp and
those Agents
sponsored
thereafter as a
result of that
Agent's original
sponsorship(s).
Qualifying
Transaction: A
Qualifying
Transaction is
either (a) a
purchase
Transaction,
sales
Transaction, or
(in the case of
eXp
Commercial) a
business
brokerage
Transaction,
that generates
Company
Dollar; or (b)
BPOs;
rental/lease

Transactions,
or referrals that
respectively
generate Gross
Commission
Income of at
least \$1,000. A
Personal
Transaction
does not
generate
Company
Dollar, and is
therefore not a
Qualifying
Transaction.
Revenue Share
Pool: Fifty
percent (50%)
of Company
Dollar
generated on a
Qualifying
Transaction;
used for
calculation of
revenue share
payments.
eXpansion
Share;
eXpansion
Share is
revenue share
generated from
the Revenue
Share Pool
received from
Qualifying
Transactions
closed by an
Agent's
Revenue Share
Group, and that
is paid out to
the Agent in an
amount that is
based on the
Tier group of
Agent(s) who
closed the



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Transaction(s).
See the
Revenue Share
Plan Chart
("Revenue
Share Chart")
below for a
breakdown of
the amount of
eXpansion
Share paid for
each Tier
group.
eXponential
Share
eXponential
Share is
revenue share
generated from
the Revenue
Share Pool
received from
Qualifying
Transactions
closed by an
Agent's
Revenue Share
Group, and that
is paid out to
the Agent in an
amount that is
based on the
Tier group of
Agent(s) who
closed the
Transaction(s).
In order to
unlock
eXponential
Share earning
potential, the
Agent must
have the
minimum
number of
Front-Line
Qualifying
Active agents
(as defined
below). See the

Revenue Share
Chart below for
a breakdown of
the amount of
eXponential
Share paid for
each Tier.
Front-Line
Qualifying
Active
("FLOA"); A
Front-Line
Qualifying
Active agent is
a licensed
Agent who has
been
sponsored into
eXp and that
has been active
and productive
with eXp during
the prior rolling
six-month
period by
closing a
minimum of
\$5,000 in Gross
Commission
income. In
order to unlock
eXponential
Share earning
potential
beyond Tier 1,
an Agent must
have the
minimum
number of
Front-Line
Qualifying
Active agents in
his or her
Revenue Share
Group.
Revenue Share
Eligible: For an
Agent to remain
eligible to
collect revenue
share (also
referred to as
"Revenue
Share
Eligibility"), the
Agent must be

in Good
Standing. Initial
FLQA Period.
The Initial
FLQA Period is
a six (6) month
period that
begins at the
moment that an
Agent satisfies
the Initial FLQA
Period.
Productivity
Requirement
(defined
below), during
which time
Agent will be
classified as
FLQA for his or
her sponsor.
Initial FLQA
Period.
Productivity
Requirement. A
new Agent
satisfies the
Initial FLQA
Period.
Productivity
Requirement
(also referred to
as the
"Productivity
Requirement")
when he/she
closes a
minimum of
\$5,000 in Gross
Commission
Income during
the prior six (6)
month period.
Vested Subject
to certain
qualifications
and conditions,
as described
below, an
Agent that is
Vested in the
Revenue Share
Plan may
continue to
receive benefits
payable

thereunder
after Agent
terminates his
or her ICA, or
discontinues
actively
engaging in
licensed real
estate
activities. Straw
Agent. Straw
Agents are
Agents who are
not engaged in
the business of
selling real
estate or
engaged in the
process of
attracting other
productive
agents to join
eXp and help
grow company
sales.



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B. Revenue
Share
Explained As
an eXp Agent
encourages
fellow active
and productive
agents to join
the ranks of
eXp and the
eXp Agent is
named as the
sponsor of
those new
agents, the eXp
Agent will begin
earning the
standard Tier 1
17.50% of the

Revenue Share
Pool, revenue
share amount
on the
Qualifying
Transactions of
the Agent's Tier
1 group of eXp
Agents. As the
Agent's Tier 1
group of Agents
(Agent's direct
sponsored
agents)
become
sponsors
themselves of
more new
Agents, each
new Agent
added to the
Agent's
Revenue Share
Group can
potentially
expand and
unlock the
Agent's ability
to earn more
revenue share
in two different
ways: 1)
eXpansion
Share; and 2)
eXponential
Share.
Illustration:
Agent directly
sponsors 15
new eXp
Agents (Tier 1
group), who in
turn sponsor 25
more new eXp
Agents (Tier 2),
who in turn
sponsor 40
more new eXp
Agents (Tier 3),
who in turn
sponsor 30
more new eXp
Agents (Tier 4).
Of the Tier 1
group of eXp
Agents, 10 are

classified as
FLQA, which
unlocks Tiers 2
& 3 of
eXponential
Share for the
Agent. Agent
will now earn
1.17.50% of
the Revenue
Share Pool in
eXponential
Share on all
Qualifying
Transactions of
the 15 new eXp
Agents (Tier 1
group); and 2.
1.0% in
eXpansion
Share + 19% in
eXponential
Share, for a
total of 20% of
the Revenue
Share Pool on
all Qualifying
Transactions of
the 25 new eXp
Agents (Tier 2
group); and 3.
0.50% in
eXpansion
Share + 12% in
eXponential
Share, for a
total of 12.50%
of the Revenue
Share Pool on
all Qualifying
Transactions of
the 40 new eXp
Agents (Tier 3
group); and 4.
0.50% of the
Revenue Share
Pool in
eXpansion
Share on all
Qualifying
Transactions of
the 30 new eXp
Agents (Tier 4
group).



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(Note: The
above
illustration does
not factor in
application of
any adjustment
bonus.) For all
Company
Dollar/Revenue
Share Pool
earned from
Qualifying
Transactions of
each of the
Agents in
Agent's Tier
groups, the
Agent will
receive
revenue share
from each of
those
Qualifying
Transactions as
long as the eXp
Agent that
closed the
Transaction is
not in a Capped
Status. This is
because there
is no Company
Dollar/Revenue
Share Pool
retained from
the
Transactions of
an Agent who
is in a Capped
Status from
which revenue
share can be
paid out. The
Revenue Share
Plan pays out a
percentage of
the Revenue
Share Pool per

Qualifying Transaction of the Agent's Revenue Share Group and pays on the 22nd day of the calendar month following the closing of the Qualifying Transactions by the Agent's Revenue Share Group. If the 22nd day of the month falls on a weekend or bank holiday, then payment will be made on the business day prior. When an Agent who is not Vested leaves eXp, the position that the departing Agent held within other sponsors' Revenue Share Groups immediately becomes an eXp position. The revenue share structure does not compress or roll up. The Revenue Share Plan is funded entirely by the percentage of the Company Dollar that eXp retains on closed Transactions. Therefore, no revenue share dollars are paid out on any Transaction where the Agent who

consummated
the Transaction
was in Capped
Status or where
no Company
Dollar is
earned. C.
Qualifications
To Receive
Revenue Share
in order to be
qualified to
receive
revenue share.
both expansion
Share and
exponential
Share, an
Agent must be
Revenue Share
Eligible on the
date when a
Qualifying
Transaction
closes, and the
Agent's license
must be active
and affiliated
with exp in
every state that
the Agent
engages in
activities
requiring a real
estate license.
D. Manipulating
Revenue Share
Plan Prohibited
Each Agent has
an obligation to
act in good faith
in his or her
dealings with
exp. Agents
shall not
attempt to
manipulate the
Revenue Share
Plan. Examples
of attempts to
manipulate the
Revenue Share
Plan include:
without
limitation, each
of the following:

(1) engaging in the practice of sponsoring Straw Agents and (2) adding any other Agent's name(s) to transaction documentation who was not a true party to the transaction solely for the purpose of artificially qualifying that eXp Agent as an FLQA. eXp shall have the right and sole discretion to determine who is manipulating the Revenue Share Plan and reserves the right to terminate Agents for such activities. eXp will also notify an Agent that it has released the licenses of any Agent(s) that it believes are Straw Agents and review the Agent's recruiting practices with the Agent.



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in, or appears to be engaged in, the practice of manipulating the Revenue Share Plan, the Agent may be restricted from sponsoring agents and/or released from eXp. E. Revenue Share Vesting Policy 1. Achieving Vested Status Except as otherwise provided elsewhere in these eXp P&Ps, to become vested in the Revenue Share Plan, an Agent must satisfy each of the following two conditions for not less than 36 consecutive calendar months (the "Vesting Period"): a) be in Good Standing; and b) be affiliated with eXp as a real estate licensee. 2. Maintaining Vested Status Once vested, an Agent shall remain vested in the Revenue Share Plan, subject to the following additional conditions: a) Within thirty (30) days from an Agent's Offboard Date, if the Agent has achieved a vested status, as described above, the Agent must submit a request to eXp via email to revenueshare@exprealty.net to be recognized as a vested Agent. b) For eXpansion Share: An Agent shall maintain their vested status in the eXpansion Share earned under the Revenue Share Plan from and after their Offboard Date, provided that they maintain a real estate license that is active and in good standing, even if they affiliate with a competitor (as described in the Competitor Affiliation is Prohibited section in these P&Ps). c) For eXponential Share: An Agent shall maintain their vested status in the eXponential Share earned under the Revenue

Share Plan from and after their Offboard Date, provided that (i) they maintain a real estate license that is active and in good standing, and (ii) they do not affiliate with a competitor (as described in the Competitor Affiliation is Prohibited section in these P&Ps). 3. Losing Vested Status Despite the statements in the "Maintaining Vested Status" section, above, eXp reserves the right, as determined in its sole discretion, to withdraw an Agent's Vested Status if any of the following conditions are true: a) an Agent is convicted of a crime; b) an Agent commits or attempts to commit or admits to committing acts of moral turpitude or that are inconsistent with eXp's core values; c) an Agent has engaged in legal action against eXp or acted in a manner that facilitates, or is in any way connected to, legal action against eXp; or d) an Agent has violated one or more obligations that survive the termination of their ICA.



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Discretionary Regaining of Vested Status
upon Reaffiliation If a vested Agent
offboards from eXp, and subsequently re-
affiliates with eXp, regardless of whether
reaffiliation occurs during or after the
Agent's Original Sponsor Window, then
that Agent may, in eXp's sole and
absolute discretion, be restored to their
original position in the Revenue Share
Plan (and regain their vested status),
subject to the following conditions: a)
Agent re-affiliates under their original

sponsor; and b) Agent did not lose their vested status for any of the reasons specified in Section 3 (Losing Vested Status). Immediately above, For avoidance of doubt, Agent's failure to satisfy the conditions of maintaining their vested status under Section 2 (Maintaining Vested Status), above, shall not adversely impact the potential restoration of Agent's original position in the Revenue Share Plan. Agent will not be entitled to receive any "back payments"; Agent will only be entitled to receive payments arising from their original position in the Revenue Share Plan which are generated from and after Agent's new Onboard Date. F. Agent Succession Policy An Agent may nominate a successor to his or her position in the eXp Sustainable Revenue Share Plan (collectively, an "Agent position" or "Agent's position") in the event of the Agent's death or permanent incapacitation. Upon the death or permanent incapacity of an Agent, such Agent shall automatically be considered Vested in the Revenue Share Plan regardless of whether the Agent has met the requirements under the Revenue Share Vesting Policy. Nomination of a successor may only be accomplished by correctly completing the "Rev. Share Position" Successor Nomination Form (the "Successor Nomination Form"), which can be found at www.exprealty.com/successornomination, and submitting it to the Onboarding team (for newly joining agents) or the eXpert Care team (for existing agents), as applicable, within eXp prior to such Agent's death or permanent incapacity. Any Successor Nomination Form(s) submitted to eXp that is/are not properly completed will not be accepted. Nomination of a successor(s) becomes effective once the Onboarding Team receives a correctly completed and signed copy of the Successor Nomination Form. Completed Successor Nomination Forms submitted by newly joining Agents shall be submitted together with the rest of their new agent documentation to the Onboarding team; all other Agents must submit their completed Successor Nomination Forms to the eXpert Care Team via email to

expertcare@exprealty.net. Successor nomination(s) will only apply to the Agent's position as identified by the Agent ID number provided in section 1 of the Successor Nomination Form. An Agent may nominate no more than one primary and one secondary successor at a time. A minor, trust, or entity cannot be nominated as a successor because the successor must be eligible to obtain and hold a valid real estate license. An Agent's position may be transferred to the Agent's secondary successor if no primary successor is living or able to accept the Agent's position for any reason at the time of the Agent's death or



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POLICIES AND PROCEDURES permanent incapacitation, or if the Agent's primary successor is not approved by eXp. If both of the successors nominated by an Agent predecease the Agent then the Agent must change his or her successor nomination(s) or that Agent's position will close upon that Agent's death and no further successor nomination(s) will be accepted, with the exception of any surviving spouse that was not previously nominated. It is the sole responsibility of an Agent to change any nominated successors, except that, if the Agent was married and does not nominate a successor, or no nominated successor survives the Agent, the Agent's spouse shall be deemed to be nominated as the Agent's successor, provided that proof of marriage or a legally recognized union be provided to eXp upon request, and provided also that the Agent's spouse meets all of the requirements to become

an approved, succeeding Agent. In the event of divorce where a former spouse was a nominated successor to an Agent, such nomination will automatically lapse and will not be recognized by eXp unless a new nomination, dated after the divorce or termination, is submitted. An Agent can change his or her successor nomination(s) at any time by submitting one of the following to the eXpert Care Team at expertcare@exprealty.net: (i) a new Successor Nomination Form; or (ii) a letter of instruction to revoke the then current successor nomination(s) on file with eXp. The submitting Agent must sign and date the Successor Nomination Form or letter of instruction, as described immediately above, for his or her nomination change or revocation of nomination to be valid. A successor nomination may not be changed or revoked by will, codicil, trust, request made by email, telephone conversation, or any method other than by the Successor Nomination Form or letter of instruction, as described above. Before any nominated successor can be placed into another Agent's position within eXp, the nominated successor must first be approved (through appointment) by eXp. eXp reserves the right, in its sole discretion, at any time and without prior notice, to decline to approve or accept any nominated successor for any or no reason. eXp shall not be required to approve the appointment of the nominated successor for an Agent that was not in Good Standing with eXp or for a nominated successor that is an existing Agent not in Good Standing. A

nominated successor shall have a reasonable time, but in no event more than twelve (12) months from the date of Agent's death or permanent incapacity, to become a licensed real estate professional and join eXp, which shall be determined by the nominated successor's Onboard Date. All requests to exercise a successor's nomination must be submitted to the Agent Compliance team via email to compliance@exprealty.net. Nomination as a successor does not create any legal right(s) to, legal interests in, or any guarantee of approval and appointment as a successor by eXp. Additionally, an Agent's position is not a property right that can be transferred through a will, trust instrument, probate proceedings, guardianship/conservatorship proceedings, divorce proceedings, sale and/or assignment, and/or any other legal process. For avoidance of doubt, an Agent's legal representative (under a will), trustee (under a trust), attorney in fact (under a power of attorney), guardian or conservator (under a guardianship/conservatorship), or a court of competent jurisdiction (in legal proceedings), cannot nominate (or appoint) an Agent's successor; only an Agent can nominate his or her successor by



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POLICIES AND PROCEDURES completing and submitting the Successor

Nomination Form to eXp and only eXp can approve an Agent's nomination and appoint a successor to an Agent's position. An Agent's position cannot be bought, sold, traded, or otherwise conveyed by an Agent; eXp reserves the right to deny approving and accepting the appointment of an Agent's nominated successor if eXp, in its sole discretion, believes that an Agent's position is being bought, sold, traded, or otherwise conveyed. Any revenue share earnings that would otherwise become payable during the period of time beginning on the date of an Agent's death or permanent incapacitation and the nominated successor's Onboard Date (if the successor is not already an Agent), or appointment approval date (if the successor is already an Agent), shall accrue for a period not to exceed twelve (12) months following Agent's death or permanent incapacitation. The accrued revenue share earnings shall be paid to Agent's approved and appointed successor, if Agent's nominated successor does not become approved and appointed on or before the twelve (12) month period, then all such accrued revenue share earnings shall lapse and will not be paid out to the Agent's successor or held for payment at a later date. An Agent's position may be transferred through Agent Succession in perpetuity. If an Agent holds more than one Agent position through Agent Succession, that Agent can only earn an ICON Agent Award on one Agent position. If an Agent holds more than one Agent position, that Agent may nominate different

successor(s) to each Agent position that they hold. G. Modifications to the Revenue Share Plan. The stated revenue share payout structure may be modified to allow eXp to better compete, attract and retain agents as well as to maintain a base level of profitability. The terms and conditions of this policy, or to the eXp Sustainable Revenue Share Plan, are subject to modification as and when determined by the Executive Management of eXp and/or the Board of Directors of eXp World Holdings, Inc., without notice to or approval from Agents. An explanation about revenue sharing calculations as well as other aspects of the Revenue Share Plan can be obtained by contacting eXp's Revenue Share Support Team at revenueshare@exprealty.com. Notwithstanding anything to the contrary in the ICA or in eXp's P&Ps, no modifications to the Revenue Share Plan will require eXp to provide notice of such modifications to Agents, or to obtain signatures from Agents, in order for such modifications to be binding against Agents. **in acknowledgment of certain contributions made to eXp's growth and infrastructure, eXp reserves the right to designate certain managing brokers, executives and key personnel as being in Good Standing with eXp notwithstanding any discrepancies that may exist from time to time between their own personal production and the criteria set forth in the ICA and the eXp P&Ps. In addition, such personnel may be deemed to be in Good Standing even though no monthly Cloud Brokerage Fee is assessed against such



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PROCEDURES
Agents can
influence
prospective
Agents not yet
affiliated with an
exp brokerage
firm to join exp
and leverage
their efforts to
earn Revenue
Share. "Agent
Attraction" is the
process of
engaging
credible, ethical,
and productive
real estate
professionals
and inviting
them to join
exp, or its
commercial
affiliate, exp
Commercial.
The policies in
this section are
based on exp's
core values and
serve as a
guide for
Agents as they
participate in
ethical and
successful
Agent Attraction
activities. All
efforts related to
Agent Attraction
that violate any
law, rule, or
regulation on a
national, state,

and local level
are prohibited.
A. Sponsorship
Interference
Prohibited. 1.
Agents are
prohibited from
encouraging
prospective
Agents already
engaged in the
Agent Attraction
process with
another Agent
to change their
intended
sponsorship.
declaration. 2. It
is the
responsibility of
each Agent to
discover if a
prospective
Agent is already
engaged in the
Agent Attraction
process with
another Agent
and shall refer
them back to
their prior
contact as a
professional
courtesy. 3.
Each Agent is
responsible to
ensure that the
recipients of
their Agent
Attraction
communication
are not currently
exp Agents.
These types of
solicitations and
any other
actions
encouraging a
change of
sponsorship by
a current Agent
are considered
to be
interference and
are prohibited.
4. Any effort to

interfere with,
coerce, or
otherwise
unethically
convince a
prospective or
current Agent to
change their
intended
sponsorship
declaration (or
current
sponsor) is
subject to
corrective
action up to and
including
termination of
their affiliation
with, and
severance from
eXp. 5.
Incentives may
not be used as
a means to
persuade a
prospective
Agent to
change their
intended
sponsorship
declaration.
This includes
offering benefits
outside of exp
business model
such as cash,
access to paid
services, gifts,
office space,
guaranteed
leads, the
payment of
monthly
technology and
registration
costs with eXp,
etc. 6.
Disparaging
fellow Agents in
an effort to
persuade a
prospective
Agent to
change
sponsorship or

their intended
sponsorship
declaration is
strictly
prohibited. B.
Income Claims
Agents at exp
can generate
income through
three distinctive
opportunities.
Real Estate
Commission.
Equity
Opportunities
and exp
Sustainable
Revenue Share
Plan. The
discussion or
presentation of
these
opportunities to
prospective
Agents are
considered to
be income
claims and must
be done so in
accordance with
the guidelines
below. Income
claims are
statements or
representations
that depict
earnings
obtained by
Agents as a
result of
participating in
exp opportunity.
Such claims
consist of direct
statements,
presentations,
videos, social
media posts,
charts, and
images that
directly state or
imply what
earnings an
individual Agent
made or makes
and what

earnings a
prospective
Agent might be
able to make
with eXp.
Income and
earnings claims
also include
implied claims
such as lifestyle
representations.
All claims
related to
earning income
with eXp must
adhere to the
following
guidelines:



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PROCEDURES 1. Income
claims must be truthful,
accurate, and not
misleading in any way. 2.
All claims related to
earning income with eXp
should set appropriate
expectations for your
audience by providing
context including the time,
work, and effort needed to
obtain it. 3. Income claims
must be accompanied by
eXp's income disclaimer
statement that also
includes a link to eXp's
U.S. average income
disclosure chart. Agents
shall place the following
statement clearly and
conspicuously in their
content: "These figures are
not a guarantee,
representation or
projection of earnings or
profits you can or should
expect. They also do not
include expenses incurred
by agents in operating their
businesses. eXp makes no

guarantee of financial
success. Success with eXp
results only from
successful sales efforts,
which require hard work,
diligence, skill,
persistence, competence,
and leadership. Your
success will depend upon
how well you exercise
these qualities. Visit
www.exprealty.com/income
for average agent earnings
and additional information
about earning
opportunities with eXp." 4.
Agents shall use eXp-
produced marketing
materials to describe the
ways to earn income with
eXp. This content includes
general program
descriptions, detailed
information, and
hypothetical examples of
earnings through the
various income
opportunities offered by
eXp. Any Agent-created
content including income
claims and examples must
be submitted for review
and approval via email to
the applicable State Broker
team and to eXp's Agent
Compliance team through
compliance@exprealty.net.
5. Agents may not use
words and phrases such
as "residual" or "passive"
income, or in any other
way imply that hard work
and effort is not needed to
earn income with eXp from
commissions, equity or
revenue share. 6. The
creation and use of online
revenue share calculators
is strictly prohibited. C.
Recruiting 1. Except as
expressly provided by eXp,
in writing, real estate
licensees who hang their
license with eXp are the
only individuals authorized
to present the eXp

opportunity to prospective Agents. 2. Agents may employ the services of assistants (including licensed, unlicensed and virtual) to engage in limited Agent Attraction-related activities provided they adhere to these guidelines:

a) Assistants may not actively recruit individuals or present eXp opportunity.

b) Compensating individuals in any manner, either directly or through affiliation, who are not real estate licensees affiliated with eXp, to recruit or attract agents to eXp is strictly prohibited. Agents shall not hire or engage any third parties for the purpose of engaging in recruitment or attraction activities on that Agent's behalf.

c) Assistants may set appointments for the Agent who employs them to present eXp opportunity to prospective Agents.

d) Assistants must clearly identify the Agent or team they are representing, provide opt-out instructions, and present the Agents' contact information to the prospective Agent they



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are
communicating
with. For
example, if an
assistant is
engaged by a

particular Agent
and not by eXp
(as a
company), that
assistant
cannot say that
they are calling
on behalf of
eXp; they may
only say they
are calling on
behalf of the
Agent on
whose behalf
they are
engaged. e)
The hiring of
assistants
whose
responsibilities
will include
participation in
the above
Agent
Attraction
activities must
comply with the
policies found
in these eXp
P&Ps
(respectively
titled "Agent
Assistants -
Unlicensed"
and "Agent
Assistants -
Licensed") that
regulate the
utilization of
assistants. 3
The use of
agents, hired
agents, staff,
recruitment
companies or
other similar
third-party
services to
send
unsolicited text
messages,
emails, place
phone calls,
etc. is not
allowed in the
Agent

Attraction
process. 4.
Compensating
individuals, in
any manner
who are not
real estate
licensees
affiliated with
eXp, to recruit
or attract
agents to eXp
is strictly
prohibited. An
Agent shall not
hire or engage
any third
parties for the
purpose of
engaging in
recruitment or
attraction
activities on
such Agent's
behalf. 5.
Agents may
utilize
prospective-
agent prospect
lead-generating
services
provided that
the
prospective-
agent leads
have given
permission to
be contacted
and the initial
contact with
such leads is in
compliance
with the terms
and services of
platforms
where the
contact takes
place and
adheres to any
applicable laws
such as the
Solicitation
Laws. Lead-
generating
services and
their

representatives
may not
present the eXp
opportunity. 6
Agents are
prohibited from
offering cash or
stock incentives
as a means to
recruit
prospective
Agents.
However,
Agents may
offer to help
cover some de
minimis
transition (trivial
or minor)
expenses such
as, new signs,
business cards,
etc. 7. Unless
expressly
authorized by
eXp's Agent
Compliance
Group, in
writing, Agent-
created content
that includes
comparative
advertising of
eXp to a
competing real
estate
brokerage is
prohibited. D.
Sponsorship 1.
Definition and
Responsibilities
The eXp
Sustainable
Revenue Share
Plan is a way
for eXp to say
"thank you" to
Agents who
attract serious
and productive
professionals
who fit
culturally with
eXp and its
core values.
Once a joining

Agent selects a sponsor and joins eXp, their sponsor enters into a financial relationship with eXp where eXp pays a percentage of Company Dollar to that individual in the form of revenue share. If the sponsor leaves eXp, that financial relationship is severed and their position in the Revenue Share Plan reverts to eXp. It is the right of a prospective Agent to identify and select the individual they choose to name as their sponsor. The sponsor is the Agent who a joining Agent identifies as the person who most influenced them to join eXp. This declaration is made during the process of completing the ICA. An Agent's sole requirement to qualify as a sponsor is selection by the joining Agent as the individual who most influenced them to join eXp. The role

of sponsor is distinctive from other roles like a mentor, coach, or team leader. In some cases, these roles are



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POLICIES AND PROCEDURES assumed by the same person, but they are not mandatory for a sponsor. 2. Change Requests In order to maintain the integrity of eXp Sustainable Revenue Share Plan, eXp may only grant changes in sponsorship in very limited situations. Changes in sponsorship are only permitted under very extraordinary conditions that meet one or more of the criteria below. Except in situations with extenuating circumstances as determined by eXp, sponsorship change requests must be submitted to eXp via email at compliance@exprealty.net within thirty (30) business days of the Onboard Date of the Agent requesting the sponsorship change. Sponsorship change request criteria: a) Errors (1) Clerical, administrative, or system errors on the part of eXp. (2) Misidentification of sponsoring Agent by eXp or joining Agent (e.g., John Smith as opposed to Jon Smith). (3) Omission of sponsor name during

the enrollment process (if requested by eXp, in its sole discretion, Agent may be required to provide evidence of prior relationship with the requested sponsor and their attraction efforts). (4) Sponsor change requests within the same Revenue Share Group in cases where the Agent has misidentified sponsor as the upline/team leader (requires written approval from the current sponsor).

b) Misconduct (1) Misleading or fraudulent attraction efforts where a prospective Agent is led to believe they are signing up under a specific individual, but the listed sponsor is another Agent not previously discussed or disclosed to the prospective Agent. (2) Sponsorship change based on improper enrollment of the prospective Agent without their authorization or signing up a prospective Agent without disclosing eXp as the brokerage. c) Brokerage Migration (1) In situations where an independent brokerage moves to eXp and the joining Agent had previously been with eXp and is still within the Original Sponsor Window (as such term is defined in the ICA), eXp will allow the joining Agent to select a new sponsor under the joining team. Agents wishing to leave eXp in order to change their selected sponsor must remove their license from eXp and allow the Original Sponsor Window to expire before they can rejoin under a different sponsor.

If the Agent returns before expiration of the Original Sponsor Window, the Agent must name their original sponsor. Sponsorship changes outside of the preceding criteria will only be made at eXp's discretion. All other sponsorship selections, placements and decisions are considered irrevocable.



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3. Cross-Border
Sponsorship
Cross-border
sponsorship
under the
Revenue Share
Plan may be
subject to
different rules
than those set
forth in these
eXp P&Ps,
which differing
rules are
enforceable in
eXp's
discretion. E
Agent
Prospects
Contacts, and
Leads Agents
shall not
engage in the
unlawful
recruitment of
prospective
Agents,
including, but
not limited to,
intentionally
and knowingly

encouraging or
facilitating a
franchise
broker/owner to
(i) abandon
their franchise
prior to the
expiration term
in the franchise
agreement or
(ii) otherwise
breach their
franchise
agreement to
affiliate with
eXp. Any
violation of
state or
national law
during Agent
Attraction
activities is, at
eXp's exclusive
election,
grounds for
termination of
an Agent's ICA
with eXp or
exclusion from
participation in
eXp's
Sustainable
Revenue Share
Plan. Agent
Attraction
contacts and
leads must be
sourced and
managed
appropriately in
accordance
with the
following
guidelines: 1.
Agent is
responsible to
verify that
Agent prospect
contacts and
leads are not
currently
Agents who are
licensed with
eXp. "Blind"
attraction
efforts between

existing Agents
may constitute
interference
and are strictly
prohibited. 2.
Agents are
prohibited from
harvesting
prospective
Agent contact
information
from databases
such as the
MLS, Boards,
or other
sources in
order to
broadcast
attraction-
related
information to
large groups
through mass
emailing, robo-
dialers, text
messages,
mailers (flier),
online
messenger, or
other channels.
3. Leads and
contacts
obtained from
third-party
services or
other forms of
recruiting
assistance
must be verified
by the Agent as
having given
permission to
be contacted
regarding eXp
opportunity. It is
the sole
responsibility of
the Agent to
certify this
information. 4.
Prospective
Agent contacts
must knowingly
opt-in to
receive
information

regarding eXp
opportunity and
must be
provided with
easily
accessible
means to opt-
out of future
solicitations
related to Agent
Attraction
Agents must
honor opt-out
requests
promptly and
cease further
contact
Outreach must
be performed in
accordance
with the
Solicitation
Laws, and all
other applicable
federal, state
and local
guidelines, and
their
implementing
rules and
regulations.
Transmitting
unsolicited
voice and text
messages (as
well as other
forms of
communication)
is heavily
restricted and
regulated under
the Solicitation
Laws and other
federal laws
and regulations
as well as
various state
and local
jurisdictions'
laws and
regulations.
Each Agent
should consult
their legal
advisor to
ensure

compliance
with the
Solicitation
Laws. 5
Agents shall
not engage in
the unlawful
recruitment of
prospective
Agents,
including, but
not limited to,
intentionally
and knowingly
encouraging or
facilitating a
franchise
broker/owner to
(i) abandon
their franchise
prior to the
expiration term
in the franchise
agreement or
(ii) otherwise
breach their
franchise
agreement to
affiliate with
eXp. Any
violation of
state or
national law
during Agent
Attraction
activities is, at
eXp's exclusive
election,
grounds for
termination of
an Agent's ICA
with eXp or
exclusion from
participation in
eXp's
Sustainable



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PROCEDURES
Revenue Share
Plan. F
Attraction
Marketing and
Communication
1. All content
(both offline and
online) related
to Agent
Attraction must
adhere to the
guidelines and
approval
process found
in the Marketing
And Advertising
section of these
Exp P&Ps. 2.
Any
communication
for the purpose
of Agent
Attraction
(whether
solicited or
unsolicited)
through email,
telephone, text
message, social
media,
messenger, etc.
must be done
so in adherence
with national,
state, and local
laws that
regulate
communication,
including, but
not limited to,
the Solicitation
Laws. 3. Social
Media a) Paid
ads for the
purpose of
Agent Attraction
through social
media, search
engines or other
online
advertising
platforms are
prohibited. b)
Agents are

encouraged to leverage their social media networks and execute their own organic social media campaigns to share exp opportunity. c) Accurate and truthful representation in professional profiles, whether online or otherwise, is required. Agents must avoid using titles which would reasonably lead someone to believe that they are an employee of exp or representing themselves as an employee of exp. 4. In-person and online meetings must be advertised and conducted in accordance with our core values of transparency and integrity. Agents must deliver on advertised content and avoid "bait and switch" tactics to entice attendees to join an Agent Attraction event. a) "Lunch and Learns", webinars, conference calls, and other

similar
opportunities
must be
advertised and
executed in
such a way that
prospective
Agents do not
feel deceived or
mistaken in any
way. If Agents
host such
events, the
intent to share
aXp opportunity
must be clearly
stated in all
communications
advertising for
the event. b)
Paid ads for
Agent Attraction
are not allowed.
Therefore, any
event with the
intention of
Agent Attraction
may not be
advertised
through paid
means. These
types of events
may be shared
organically
through social
media, through
opted-in email
lists, etc. c) If an
Agent event
provides
education or
training on a
real estate-
related topic
(not Agent
Attraction), you
may advertise
(paid and non-
paid) for this
event. At the
conclusion of an
Agent-hosted
event you may
let attendees
know that you
will be taking a

short break
allowing them to
leave. If they
choose to stay,
you may then
engage those
who remain in
the Agent
Attraction
process after a
clear break has
been taken from
your original
presentation.
The intention
and spirit of this
provision is that
an Agent
cannot
advertise for an
attraction event,
consequently,
Agent cannot
"bait and
switch" by
advertising for
an education or
training event
on a real estate-
related topic.
provide token
coverage of that
topic, and use
the balance of
that event to
engage in the
attraction
process.



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POLICIES AND
PROCEDURES G.
Reporting Agent Attraction
Violations It is at eXp's
sole discretion to
determine if a practice not
mentioned in the policies
above is aligned with its
culture and core values.
eXp reserves the right to
ask Agents to discontinue

any Agent Attraction practice that it deems to be in conflict with these policies and procedures and eXp's core values. Agents must abide by the articles set forth in the National Association of REALTORS® Code of Ethics, eXp's Core Values, and these eXp P&Ps. Agents must always represent eXp and its business model with the highest degree of accuracy, integrity, and professionalism. Agent Attraction and participation in the revenue share plan is a privilege and not a right. Any violation of these guidelines must be reported to the Agent Compliance team by email at compliance@exprealty.net.

4. Stock Solicitations Prohibited As a business having a parent corporation with publicly traded common stock, eXp is subject to requirements relating to the substance and manner of public communication. Federal securities laws generally require that, in the absence of an exemption, offers to buy stock, and solicitations regarding stock, need to be preceded by a filed registration statement relating to the offer. All Agents of eXp shall follow the guidelines below (in addition to the eXp World Holdings, Inc. Insider Trading Policy, also below) for the protection of eXp and those affiliated with it. Failure to adhere to these guidelines will result in immediate release from eXp.

1. All directors, officers, employees and Agents are subject to SEC

Insider Trading regulations which include the obligation not to disseminate confidential information of eXp. 2. Agents cannot solicit interest in, or encourage others to buy eXp World Holdings, Inc.'s stock, or promote eXp World Holdings, Inc.'s stock or stock's growth as the basis for encouraging others to join eXp, unless expressly authorized by eXp World Holdings, Inc. and pursuant to applicable securities laws. 3. Agents should only discuss the equity program or similar stock incentives according to official eXp literature. 4. Agents may not post their equity account balances on social media whether it is in the form of a screenshot, a graphic, or in a text description. This prohibition also extends to inclusion in presentations, videos, and other content that is used for Agent Attraction. 5. Agents must adhere to all guidelines found in the Income Claims section of the eXp P&Ps when discussing, presenting, or sharing their participation in the equity opportunities with eXp both in public and private conversations (including social media). Agents are encouraged to direct potential Agents to eXp approved resources or publicly available information.



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PROCEDURES.
Event
Sponsorship
Requests from
Vendors From
time to time.
opportunities may
arise for vendors
to sponsor local
events for eXp
(for example, and
without limitation,
eXp Regional
Rallies events).
Individuals that
are not eXp
Agents may or
may not attend
such local events.
By contrast,
EXPCON events
are not "local"
events for
purposes of this
section of this
eXp P&Ps. If
Agent learns of a
vendor that
desires to
sponsor a local
event for eXp
(hereinafter, a
"Potential Local
Sponsor"), the
Agent will submit
a sponsorship
request to eXp's
Brokerage
Operations
department
(through one of its
COE Directors) at
least two weeks
prior to the event.
eXp reserves all
rights to refuse
such sponsorship
by a Potential
Local Sponsor for
any reason. At
NO time is the
Agent to handle
the funds without
written approval

from eXp's Brokerage Operations department (through one of its COE Directors). If the Potential Local Sponsor is not a participant in eXp Solutions (formerly referred to as Affiliated Services, and Preferred Partners), eXp will not advertise or otherwise promote Potential Local Sponsor in eXp World, on eXp's Workplace from Facebook application, in eXp's newsletters, or in eXp-generated emails; however, an acknowledgement of the Potential Local Sponsor's sponsorship (in the form of a "thank you") may be made on eXp's Workplace from Facebook application, in eXp's newsletters, and in eXp-generated emails.

XIV.COMPANY TOOLS AND INFORMATION

A. eXp Communication and Training Platforms

Through Workplace, eXp Enterprise and eXp World, eXp provides best practices in different parts of

the business. It is the responsibility of the Agent to stay up to date on the latest policies and procedures, as well as the latest best practices relative to working with any tools and services eXp has deployed or is being recommended for Agents to use. 1. Agents shall not give out usernames or passwords or any other access to any internal or eXp provided third party system. 2. Agents may not share any recorded video (e.g., event instances in eXp World, sessions from eXp Shareholders Summit, sessions from eXpCON, etc.) intended for internal use by eXp without receiving written approval from eXp. 3. When hosting a session in eXp World, Agents may record the session but only with the consent of the attendees. 4. Distribution of recorded or captured content through websites and social media (e.g., Facebook, LinkedIn, YouTube, etc.) is not allowed.

without exp's
written consent.
5. exp reserves
the right to limit
the use of any
video content to
the extent exp
determines in its
sole discretion
that the video
content does not
contain accurate
information about
exp or does not
accurately
represent exp's
desired image or
brand.



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PROCEDURES
B. Workplace
Workplace is
an invaluable
tool that exp
and its Agents
use to
communicate
interact and
share
information with
each other.
This internal
network
empowers all
users to
practice exp's
Core Values of
Community and
Collaboration.
In order to
maintain the
integrity and
usefulness of
the network,
Agents must
abide by the

following
guidelines as
they use
Workplace in
their daily work.
1. User
Guidelines for
Agents a)
Content that is
discourteous,
aggressive
defamatory,
discriminatory,
sexually
explicit,
offensive, or in
any other way
damaging to
Workplace
users is
prohibited.
Content of this
nature will be
deleted by
Exp's
Workplace
administrators.
b)
Disparagement
of fellow
Agents, Exp
staff, Exp
leadership, or
competitors is
not allowed. c)
Using
Workplace to
self-promote
and to promote
merchandise
products, and
paid services is
permitted only
in the Exp
Marketplace
closed group.
Agents can
access this
group by
clicking here.
All other
solicitations are
prohibited.
Posts in
violation of this
policy will be

deleted.
Repeated
violations of
this policy may
result in
disciplinary
action up to
removal from
eXp. d) Using
Workplace
Chat to
message, "cold
call", or make
any kind of
solicitation to
other users
without their
consent is not
permitted. 2.
Group
Guidelines for
Agents
Workplace
groups
encourage and
enhance cross-
team
collaboration
provide a place
to give
feedback and
speed up
decision
making. Agents
may join or
create groups.
Group creation
must adhere to
all of these
guidelines: a)
Agents must
make sure the
group doesn't
already exist; b)
The title of the
group should
not have "eXp"
in the title as
that is used for
official
company-
monitored
groups. All
official groups
will display the
designation of

"official group" and are marked with a green Workplace shield icon. c) The group should be for discussion. project, or general interest. d) Groups should not create the expectation that eXp support will be provided. e) Ensure that your group aligns with eXp Core Values. and f) Adding users to groups without their consent is not allowed. Any group or content deemed to be misleading or inappropriate will be removed by eXp's Workplace administrators. eXp reserves the right to remove or assign admins to any group it deems necessary. C. eXp World Even though eXp World is a virtual work environment it should be treated as a professional place of



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PROCEDURES business.

Appropriate workplace

etiquette must be observed

including the personal

conduct and behavior of all

users. Agents shall adhere

to eXp's Code of Conduct,

Core Values, and avoid

any actions or content that

are argumentative,

discourteous, or otherwise

unprofessional while in

eXp World. Agents should

also become familiar with

the platforms' Terms of

Service and Privacy Policy

found at

[https://learn.framevr.io/tos-](https://learn.framevr.io/tos-privacy-policy)

[privacy-policy](https://learn.framevr.io/tos-privacy-policy). Failure to

adhere to these guidelines

could result in disciplinary

action. D. eXp Email for

Agents eXp provides to

each Agent an eXp email

alias, also known as a

forwarding or alternate

email address, that is

configured to forward to

the personally owned and

controlled email address

an Agent provides to eXp

for purposes of conducting

eXp business. eXp email

aliases do not have a

mailbox of their own, and

instead only forward all

incoming emails to an

Agent's personal email

address. Email aliases

may be delivered by

various providers from

time-to-time as

requirements and costs

dictate. eXp email aliases

enable forwarding to other

email addresses and

systems. eXp does not and

cannot access Agent

personal email accounts

and only receives logs of

forwarding activity related

to each eXp provided

email alias. eXp provided

email aliases are not

configured for sending email from the provided email alias. Agents are responsible for that configuration. Agents are responsible for ensuring their respective eXp email alias forwards incoming email to their correct email account, so that important communication from eXp, their State Broker, and/or actual or prospective clients is not missed. For avoidance of doubt, eXp employees use eXp provided email accounts using the "@exprealty.net" email domain to communicate with Agents and other eXp employees, and to conduct eXp business, as opposed to Agents' eXp email aliases which use the "@exprealty.com" email domain. Agents are strongly encouraged to use email security best practices to protect their email accounts from unauthorized access and avoid wire fraud attempts. Agents are also strongly encouraged to use the Wire Fraud Email Notice Template provided by the National Association of Realtors® at <https://www.nar.realtor/law-and-ethics/wire-fraud-email-notice-template>. XV.

ICON AGENT AWARD

The ICON Agent Award is aimed at attracting and incentivizing top Agents into eXp. The ICON Agent Award provides each qualified "ICON" with publicly traded eXp World Holdings, Inc. common stock upon the achievement of certain production and cultural goals within an Agent's Anniversary Year. The

ICON Agent Award Program is subject to approval by the Board of Directors each year. Full qualification details can be found by visiting the ICON Agent Award webpage at join.exprealty.com/icon-agent-award. An Agent is not eligible to receive an ICON Agent Award (or receive ICON status), unless the Agent is in Good Standing with eXp.



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XVI.EXP MENTOR PROGRAM
Generally, if an Agent has not completed three purchase Transactions or sale Transactions (or any combination thereof) within the twelve (12) month period immediately preceding the Agent's Onboard Date (collectively, the "Mentor Program Requirements"), the Agent will be required to participate in the eXp Mentor Program, as a mentee, upon transfer of their license to eXp. In that event, Agent will be required to enter into the eXp Mentor Program Addendum to ICA.

the form of which
will vary depending
upon the state in
which the Agent is
licensed.
Notwithstanding the
preceding, eXp
reserves the right to
require an Agent to
participate in the
eXp Mentor
Program, as
determined in its
sole discretion. eXp
reserve the right to
require any Agent
to reenroll in the
eXp Mentor
Program as may be
required by
applicable law. If an
Agent enrolled in
the eXp Mentor
Program has not
been assigned a
mentor, then that
Agent's mentor
shall be that
Agent's State
Broker. eXp may
share the mentee's
personal contact
information with
other Agents that
provide assistance
in the eXp Mentor
Program. XVII.
EXPRESSOFFERS
INVESTOR
REFERRAL FEE
Agents desiring to
participate in eXp's
ExpressOffers
program and
generate additional
referral fees by
referring investors
to eXp must first
complete the
ExpressOffers
training and enter
into the
ExpressOffers
Investor Referral
Addendum to
Independent

Contractor Agreement. XVIII. MULTI-GLOBAL LICENSE PROGRAM A. Background The eXp World Holdings, Inc. family of real estate brokerage companies is comprised of the following brands: eXp® Realty and eXp® Commercial. Each brand conducts its own in-country operations through specific brokerage companies that are licensed or registered to engage in the real estate brokerage business in their particular jurisdiction (whether country, state, province, region, etc.) (each, an "eXp Brokerage"). Except as it pertains to the brokerage companies operating under the eXp® Realty (USA) brand, and eXp® Commercial (USA) brand, respectively, each eXp Brokerage operating outside of the United States maintains its own form of independent Contractor Agreement that is to be used by any individual desiring to affiliate with that eXp Brokerage, in that jurisdiction, for

the purpose of
engaging in real
estate brokerage
activities on that
eXp Brokerage's
behalf in that
jurisdiction. B.
Multi-Country
Affiliation
(Generally) The
'Multi-Global
License Program'
is applicable in
instances where an
Agent desires to
affiliate with



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two or more
eXp
Brokerages
each in a
different
country (e.g.,
with eXp
Commercial
LLC in Arizona,
and with eXp
Italia S.r.l. in
Italy). The
Multi-Global
License
Program is not
applicable in
instances
where Agents
that are or
desire to
become
affiliated, (1)
with two or
more eXp
Brokerages
within the same
brand and
operating within

the same country (e.g., with eXp Realty, LLC in Arizona, and with eXp Realty of California, Inc. DBA "eXp Realty" in California), or (2) with two or more eXp Brokerages across different brands and operating within the same country (e.g., with eXp Commercial LLC in Arizona, and with eXp Realty of California, Inc. DBA "eXp Realty" in California); C. Agents' Additional Affiliation Under our Multi-Global License Program. Agents are permitted to affiliate with any eXp Brokerages provided that: (1) the eXp Brokerages are in different countries, and (2) the Agent satisfies all of the terms, conditions, and requirements of each such eXp Brokerage. By affiliating across national borders with more than one eXp Brokerage, an Agent

automatically
becomes
subject to all of
the terms and
conditions of
the Multi-Global
License
Program. D
Agents
Independent
Obligations All
Agents
participating in
the Multi-Global
License
Program shall
abide by all
monetary,
policy, and
contractual
obligations
imposed upon
them by each
eXp Brokerage
with whom they
are affiliated.
An Agent's
affiliation with
more than one
eXp Brokerage
will not excuse
that Agent from
any of his or
her payment or
performance
obligations to
any other eXp
Brokerage with
whom the
Agent is
affiliated.
Agents'
payment and
performance
obligations to
each eXp
Brokerage are
distinct
obligations. So,
for example
(and without
limitation),
Agents will
have to pay all
fees imposed
upon them by

each eXp Brokerage with whom they are affiliated. Agents will have to honor all policies and procedures applicable to each eXp Brokerage with whom they are affiliated; and Agents will have to honor the terms and conditions of each Independent Contractor Agreement to which they are a party. E. "Capped Status" Matters All matters concerning achieving a "Capped Status," as applied by each eXp Brokerage with whom an Agent is affiliated, shall co-exist and apply independently. An Agent's Company Dollar Cap. Capping Period, Cap. Reset Date, and Anniversary Year, will be applied separately as between each eXp Brokerage with whom the Agent is affiliated. This means, for example, that if

an Agent is affiliated with two eXp Brokerages, that Agent can (and likely will) have two different Cap Reset Dates, Capping Periods, and/or achieve a Capped Status at two different times (if at all), and so on. In addition, Company Dollar earned and collected from an Agent by any eXp Brokerage with whom that Agent is affiliated will not be aggregated with Company Dollar earned and collected from the Agent by any other eXp Brokerage with whom that Agent is affiliated (for the purpose of determining whether the Agent is considered to be in a Capped Status in any country). For example, assume that an Agent is affiliated with two eXp Brokerages, namely eXp Realty, LLC (in the USA) and eXp Italia S.r.l. (in Italy). If the Agent has

satisfied all of the requirements to reach a Capped Status under eXp Italia S.r.l., then the Agent shall be considered to be in a Capped Status with respect to only eXp Italia S.r.l. and not with respect to eXp Realty, LLC Company Dollar collected by eXp Realty, LLC (in the USA) will not be combined with any Company Dollar collected by eXp Italia S.r.l. for the purpose of determining



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affiliated, shall
co-exist, and
apply
independently.
Agents can
earn an ICON
Agent Award in
each country
where an Agent
is affiliated with
an exp
Brokerage,
according to
each such exp
Brokerage's
own rules.
However,
earning an
ICON Agent
Award in one
exp Brokerage
does not mean
that an Agent
has or will earn
an ICON Agent
Award in any
other exp
Brokerage. G
Sponsor.
FLQA; Initial
FLQA Period
Agents cannot
have more than
one Sponsor at
any given time
when
associated with
any exp
Brokerage (i.e.,
Agents can
only have one
Sponsor,
regardless of
how many exp
Brokerages
they are
affiliated with).
Agents shall
only be
considered an
FLQA once, at
any given time,
for their
Sponsor. The
Initial FLQA
Period shall

only apply one
time, and with
respect to that
particular exp
Brokerage with
whom an Agent
first satisfies
the applicable
FLQA
requirements
We have no
obligation to
notify any
Sponsor that an
Agent
sponsored by
that Sponsor, is
a participant in
the Multi-Global
License
Program. XIX.
LEGAL
INSURANCE
AND
COMPLIANCE
WITH THE
LAW. A.
Antitrust exp is
a full service
real estate
brokerage
company. As
such,
commission
rates of exp
are determined
by each Agent
on a
transaction by
transaction
basis, and such
rates are to be
based on the
value of the
services
provided and
competitive
market
conditions.
Commission
rates are
determined
solely by
agreement
between the
Agent and the

listing party.
Agents shall
not participate
in any
discussions
with individuals
affiliated with
any other
company
concerning the
commission
rates charged
by eXp or any
other real
estate
company.
When soliciting
a listing or
negotiating any
agreement,
Agents shall
not make any
reference to a
"prevailing" or
"standard"
commission
rates in the
market or any
other words
that suggest
that the
commission
rates are
uniform
standard or
non-negotiable.
Any advertised
commission
rate for service
must be clear
and prominent,
and specify that
it is the Agent
(or team) that is
setting the
commission
rate, and not
eXp. Listing
Agents shall
work with
sellers to
determine the
buyer-broker
commission to
be offered. B.
Conflicts of

Interest Agents shall avoid engaging in activities that would result in a question of business ethics or a compromise in the Agent's loyalty to exp or clients. Questions regarding potential conflicts must be directed to the Agent's State Broker. When purchasing an exp listing, it must be disclosed in the contract that the Agent is a member of exp. Additionally, no Agent shall be involved in any form of settlement service or receive income or benefits "for value" directly from a settlement service company while actively licensed with exp.



exp Realty Policies and Procedures Page 62 of 85 Version: USA 05.09.2024 POLICIES AND PROCEDURES C. Data Security and Client Privacy Agents will come in contact with personal and confidential information in the day-to-day course of their business. All Agents of exp are expected to become familiar with and

follow a course of action concerning the transmission, handling, storage, and disposal of all personal and confidential information that is in alignment with all local, state, and federal laws regarding data security and client privacy. Agents are encouraged to review the National Association of REALTORS® Data Security and Privacy Toolkit found at <https://www.nar.realtor/data-privacy-security/nars-data-security-and-privacy-toolkit> (including its Cybersecurity Checklist: Best Practices for Real Estate Professionals found at <https://www.nar.realtor/law-and-ethics/cybersecurity-checklist-best-practices-for-real-estate-professionals>), and to adopt those "best practices" presented by the National Association of REALTORS®. If an Agent fails to secure their client's data and confidential information, the Agent will defend, indemnify, and hold eXp, and its principals and affiliates harmless against any and all claims, complaints, or actions that may arise from such a departure. In addition, failure to comply with this Policy is grounds for the immediate release of the Agent's license and removal from eXp. eXp's own Privacy Policy and Data Processing Policy may be found by visiting <https://expworldholdings.com/privacy-policy/>. D. Do Not Call Rules Agents must stay up-to-date on rules relating to the National Do Not Call Registry (See: www.ftc.gov/donotcall), as well as all anti-spam laws and regulations (See: www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/can-spam-rule). Cold calling must be done in compliance with applicable state and national laws. Any fines that result from any violation of the "do not call" law or any other solicitation will be paid for by the Agent who broke said rule. Agents are encouraged to leverage eXp "Dial Safe" for review of all telephone numbers prior to making initial contact. eXp "Dial Safe" may be located via My eXp or via Okta dashboard. E. Drones Agents who desire to use drones must be familiar with and follow all Federal Aviation Administration (FAA) drone rules, and any other applicable laws and regulations. (See: www.faa.gov/uas for more information.) F. Drug and Alcohol Use Drug and alcohol

use is strictly prohibited while engaged in real estate brokerage services or any other activities where Agents are representing eXp. Accordingly, Agents are prohibited from possessing, selling, consuming alcohol or drugs, smelling of alcohol or being under the influence of any drug(s) while engaged in real estate brokerage services, and any other work for or on behalf of eXp (including, without limitation, any eXp attraction events, and any other activities where Agents are representing eXp).



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Agents shall
also discourage
the use of
drugs or
alcohol by any
party during a
Transaction.
Upon
discovering that
a party is under
the influence of
either drugs or
alcohol, Agents
should take
appropriate
action to
terminate that
day's activity
and suggest
that they
discuss or
complete the
Transaction
another time.
G. Harassment
eXp takes all
forms of
harassment
seriously. This
includes but is
not limited to

verbal, physical
or sexual. All
reported or
suspected
occurrences of
harassment will
be promptly
and thoroughly
investigated.
Any Agent that
is found to have
harassed
another Agent,
employee,
client,
customer, or
any member of
the public shall
be immediately,
and without
warning,
released from
eXp at eXp's
sole discretion.
If an Agent
feels they have
been harassed
in any way, the
Agent shall
notify the State
Broker or a
member of the
corporate team
immediately.
eXp will not
permit or
condone any
acts of
retaliation
against anyone
who files
harassment
complaints or
cooperates in
the
investigation of
the same. H.
Prohibition on
Changes to
Commission
Splits and
Referral Fees
During Legal
Action; No Split
Checks When a
lawsuit.

garnishment, or
other legal
action has been
served upon
Exp., or Exp.
has been made
aware that such
an action is
pending, any
Agents that are
a party to such
legal action
shall be
prohibited from
changing any
commission
split
agreement(s)
including, but
not limited to,
Team
Agreement(s),
existing referral
agreements
with fellow
Agents, co-
listing
agreements,
etc., without the
prior express
written consent
of the Agent's
State Broker.
This prohibition
applies
regardless of
whether the
Agent seeks to
modify a
general
agreement
concerning all
transactions, an
agreement
concerning
transactions
within a specific
category, or an
agreement
concerning a
specific
property. This
prohibition also
extends to
changes in
commission

that the Agent would otherwise receive, even for future transactions, listing assignments, or co-listings until no further legal action is pending. For so long as an Agent is not in Good Standing or has any legally required withholdings (such as, for example, garnishments, tax levies, child support orders, or UCC-1 liens from unpaid commission advances) being withheld from an Agent's commissions or other earnings from eXp, that Agent shall not partake in receiving a "split check" in states where such practices are permitted. I, Products and Services Agents may not offer any non-eXp business plan, opportunity, product or incentive (including any multi-level marketing programs) utilizing any eXp platform such as eXp World or

otherwise in
conjunction
with offering
eXp products or
services. I
Selling,
Offering To
Sell, Or
Promoting Any
Competing
Products Or
Services
Agents may not
directly sell
offer to sell or
directly
promote to
other Agents
competing



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products or
services. Any
product or
service in the
same generic
category as an
eXp product or
service is
deemed to be
competing. I.
Reporting
Problems It is
understood that
Agents, though
operating as
independent
contractors, act
as agents of
eXp and must,
therefore, keep
eXp informed of
their activities.
Agents shall
immediately, but
in no event

longer than five
(5) calendar
days after the
time that they
become aware
of any of the
following
situations, bring
any of the
following
situations to
their State
Broker's
attention and
provide exp
with copies of
any
correspondence
or legal process
in connection
with such
situations.
Failure to timely
notify the State
Broker and exp
may, in certain
circumstances
and in exp's
sole discretion,
result in
termination of
Agent's ICA and
disaffiliation
from exp. 1.
Any substantive
complaint
involving a real
estate
transaction or
the providing of
real estate
brokerage
services,
whether brought
by a client, the
state real estate
licensing
authority or a
third party. 2.
Any disclosure,
or potential
disclosure, of
confidential
client
information. 3.
Any accident or

injury that
occurs while
providing real
estate
brokerage
services. 4. Any
criminal charge,
judgment, or
order (including,
without
limitation, DUIs
and felonies)
against an
Agent other
than a traffic
infraction. 5.
Any civil suit
(including
bankruptcy),
judgment, order,
subpoena, or
other legal
document
concerning real
estate activity of
an Agent or that
would adversely
affect the
licensing status
of any of an
Agent's real
estate
license(s). 6.
Any contact by
or with the state
real estate
licensing
authority. 7. Any
threat of any
legal or
administrative
action against
an Agent or expe
resulting from
that Agent's real
estate
brokerage
services. 8. Any
act(s) of
discrimination
witnessed. 9.
Any unresolved
dispute with
another Agent
or a real estate
professional

affiliated with
another
brokerage firm.
10. Any
foreseeable
dispute or
problem relating
to the payment
or collection of
a commission.
11. Any other
situation
involving
professional
real estate
activity that
could lead to
liability on the
part of eXp or
anyone
associated with
eXp. 12. Any
notification
received from
the state real
estate licensing
authority
regarding the
status of an
Agent's real
estate license.
K. Legal Action
Between eXp
Agents No
Agent shall file
a Civil or
Administrative
Action (defined
in the ICA)
against any
other Agent
affiliated with
the eXp family
of real estate
brokerage
companies
(including eXp
Realty, LLC,
eXp
Commercial
LLC, and/or
eXp
International
Holdings, Inc.,
and any of their
respective

subsidiaries,
divisions,
affiliates, or
assigns) for any
issue arising out
of or relating to
the actual or
alleged real
estate
brokerage
activity of that
other Agent
without
providing seven
(7) days prior
written notice to



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their own State
Broker advising
of their intent to
do so and
identifying, with
specificity, the
basis of the
Agent's dispute
with the other
Agent. To the
extent there is
any real estate
brokerage
related dispute
as between two
or more
Agents, such
disputes must
be resolved
through eXp's
own "internal"
arbitration
procedures.
this
requirement
shall not apply
to any disputes
among

members of
any particular
team whose
Team
Agreement
provides for
dispute
resolution
procedures. In
addition, an
Agent shall
provide written
notice to their
own State
Broker within
twenty-four (24)
hours following
their own filing
of a Civil or
Administrative
Action advising
of the
occurrence of
such filing. An
Agent's failure
to comply with
the foregoing
notice
requirements
shall constitute
a material
breach of these
eXp P&Ps.
Nothing in this
section shall
prohibit an
Agent from
notifying a
licensing or
other
governmental
entity of
allegations that
he or she is
required by law
to report.
However, all
requirements in
this section
must be
complied with
to the
maximum
extent possible,
with
performance

excused only to
the extent that
he or she is
legally required
to take some
action which
precludes
compliance
with a particular
requirement in
this section. L
Legal Action
Against eXp
Prohibited By
acknowledging
and accepting
the terms within
these eXp
P&Ps, each
Agent
represents
warrants, and
covenants to
eXp that they
will not cause
or participate in
the filing of any
Civil or
Administrative
Action against
eXp, its holding
companies, and
its or their
respective
subsidiaries,
affiliates,
directors,
officers,
managers,
members, or
employees.
Each Agent
acknowledges
and agrees that
the filing of any
such Civil or
Administrative
Action shall
constitute a
material breach
of these eXp
P&Ps, and that
eXp may
thereafter
terminate the
offending

Agent's ICA in accordance with its terms, as determined by exp in its sole and absolute discretion. Nothing in this section shall prohibit any Agent from notifying a licensing or other governmental entity of allegations that he or she is required by law to report. However, all terms in this section must be complied with to the maximum extent possible. with performance excused only to the extent that he or she is legally required to take some action which precludes compliance with a particular requirement in this section. M.Claims Reimbursement Each Agent shall be responsible for and shall reimburse exp up to \$2,500 (two thousand five hundred dollars) incurred in the defense or resolution of any claim made

against that
Agent and/or
eXp as a result
of the Agent's
actions or
inactions
(except for any
procuring
cause claims),
regardless of
whether or not
the claim is
eligible for
insurance
coverage. Even
where the
Agent does not
believe the
claim or cause
of action has
merit and/or
does not
believe any
money should
be expended in
the defense or
resolution of
the matter, the
Agent
expressly
agrees in
advance, by
signing his or
her ICA, that he
or she will
reimburse eXp
up to \$2,500
expended in
defense or
resolution of
the matter
within thirty (30)
days of receipt
of a request for
reimbursement
from eXp. An
Agent may
elect to have all
or any portion
of the
reimbursable
amount
withheld from
any
commissions
and/or revenue

share
payments due
to the Agent in
lieu of making
payment
directly to eXp.
However, if an
Agent does not
reimburse eXp
directly within
the thirty (30)
day period then
eXp shall
deduct the full
amount due
from any and
all commissions
and revenue
share
payments due
to the Agent
until eXp has
been fully
reimbursed. If it
is determined
that an Agent
acted
fraudulently,
grossly or
recklessly,
negligent, or
willfully, the
Agent shall be
responsible for
the full amount
of the damages
and costs
recovered.



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against eXp.
along with all
costs of
defense. This
language in no
way limits the

liability of an
Agent to eXp
and in no way
limits any
covenants or
conditions
stated in an
Agent's ICA. N
Claims That
Are Not
Covered By
E&O Insurance
eXp's real
estate errors
and omissions
("E&O")
insurance
extends
coverage to
eXp Agents
solely in the
performance of
real estate
sales and
leasing
services for a
fee or
commission. All
eXp Agents
should be
aware and
understand that
eXp's E&O
insurance
policy, like
many others,
has certain
limitations and
exclusions and
only provides
insurance
coverage for
specific types
of claims. It is
particularly
important for
eXp Agents to
know that there
are certain
types of claims
that, when
made against
eXp or an eXp
Agent, are not
covered under
eXp's E&O

insurance
policy. Some of
these
uninsured claim
types include
but are not
limited to: 1.
Claims made
under the
Telephone
Consumer
Protection Act
("TCPA"),
including "do
not call list"
guidelines, the
Telemarketing
Sales Rules
("TSR"), the
CAN-SPAM
Act, Federal
Trade
Commission
("FTC") rules;
a. Example: An
eXp Agent
makes cold
calls or text
messages to
prospects but
does not follow
one or more of
the above laws;
these claims
are not covered
by any
insurance
available on the
market and
carry hefty
statutory fines,
which means
there is no
defense to
these claims
outside of
proving that
you did not
place the call(s)
or send the text
message(s); 2.
Personal injury
claims; a.
Example: A
person slips
and falls.

injuring
themselves
while at a
property and
the person
claims the eXp
Agent is at fault
for their alleged
injuries, an eXp
Agent's for sale
sign in the yard
falls over and
injures
someone, etc.
3. Intellectual
property
infringement
claims,
including
copyright
infringement, a
Example: An
eXp Agent uses
a photo or
image on their
website that
they have not
obtained
permission to
use. 4. An eXp
Agent's
Personal
Transaction,
regardless of
whether eXp or
the eXp
Agent/Owner
earned a fee or
commission, a
Example: A
buyer makes
any kind of
claim against
an eXp Agent
in a
Transaction
where the eXp
Agent was
selling a
property they
owned (or had
any kind of
interest in) or
controlled and
neither eXp nor
the eXp Agent

earned a
commission on
the
Transaction. 5.
Claims against
an eXp Agent's
entity, the eXp
Agent may
have coverage.
but the eXp
Agent's entity
does not, even
if eXp is paying
the eXp Agent
through their
entity, a
Example: A
plaintiff sues
eXp, eXp Agent
Doe, and
individual, and
Agent Doe.
LLC, the eXp
Agent's
company. The
E&O insurance
will cover Agent
Doe as an
individual but
not Agent Doe.
LLC. 6. Class
action claims of
any kind
whatsoever.
eXp Agents
should
determine
whether they
want to obtain
their own
individual
insurance
coverage for



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activities such

as those listed
in the examples
above. Lastly,
like most
insurance
policies, eXp's
E&O insurance
policy will not
cover claims in
which it is
determined that
eXp's or an
eXp Agent's
actions were
fraudulent,
grossly or
recklessly
negligent, or
willful. XX.
OFFICE
POLICIES A.
Agent Business
Expenses eXp
shall not be
responsible for
any expense
incurred by
Agents in the
performance of
their business
duties unless
approved in
advance and in
writing by the
State Broker.
No
inducements,
including
inspections or
other services
associated with
real estate
brokerage
services
customarily
paid by
customers or
clients, shall be
offered or paid
by an Agent
without
advance
approval by the
State Broker,
and then shall
be at the

Agent's sole
expense. An
Agent shall
disclose, in
writing, any
commission or
profit received
or to be
received by
such Agent
(whether
directly or
indirectly), in
connection with
any
expenditures
advanced on
behalf of that
Agent's client.
B. Agent
Assistants
Generally exp
tully supports
the use of
licensed and
unlicensed
assistants
(which include
transaction
coordinators)
by the Agents.
By delegating
tasks that may
be performed
by those other
than the Agent,
the Agent's
time can be
spent more
efficiently on
tasks directly
related to
maximizing
earning
potential. exp
advises all
Agents using
assistants to
seek legal
counsel
regarding
employment
laws and
obligations
within their
state. Agents

must have a
written contract
with their
assistants. Said
contract must
be submitted to
the State
Broker for
approval within
ten (10)
business days
of joining eXp
or entering into
an agreement
for these
services.
Copies of the
contract are to
be filed in the
Agent's file.
Assistants
(including
transaction
coordinators)
are to be
compensated
for their
services
directly by
those Agents
with whom they
are respectively
engaged.
Assistants that
are licensed
with eXp are to
be paid for their
services
through escrow.
Agents shall
not use the
services of any
licensed
assistants that
are licensed
with any real
estate
brokerage
company other
than eXp, C.
Agent
Assistants -
Unlicensed
Agents are
responsible for
training their

assistants
making sure
they are
familiar with
and abide by all
eXp policies
and procedures
and all federal
and state
regulations.
The Agent must
review these
eXp P&Ps with
the assistant
and present a
copy of the eXp
Agent &
Support
Personnel
Cloud
Brokerage
Access
Agreement
("Access
Agreement") to
the assistant
for their review.
An unaltered
copy of the
Access
Agreement that
has been
signed by both
the Agent and
assistant shall
be returned to
the Agent's
State Broker
and must be
approved and
signed by that
State Broker
before the
assistant may
access any eXp
systems. To the
extent that an
Agent grants
any assistants
with access to
any eXp



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systems.
without first
securing the
State Broker's
prior written
consent in the
manner
provided above.
then eXp may
exercise any
rights or
remedies
(including
terminating the
Agent's ICA) as
provided in the
Agent's ICA or
these eXp
P&Ps. An
unlicensed
assistant may
not perform the
following tasks
or duties:
including but
not limited to: •
Host an open
house • Solicit
sellers or
buyers in any
manner. •
Provide advice
or guidance to a
consumer with
regards to a
listing contract
or a contract of
purchase and
sale. • Meet
with owners to
obtain or renew
listing
agreements. •
Present or
negotiate an
offer. •
Communicate
with consumers
about real

estate
transactions. •
Be paid from
the commission
at closing or be
paid
commission in
any way,
regardless of
timing. • Open
listings for
clients or
prospective
clients. An
unlicensed
assistant may
• Perform office
filing. • Fill out
a document at
the instruction
of the Agent. •
Place or
remove signs. •
Witness
signatures. •
Perform Agent's
bookkeeping. •
Draft
correspondence
for approval by
the Agent. •
Draft forms for
review by the
Agent. • Make
and deliver
copies of any
public records.
D. Agent
Assistants -
Licensed
Licensed
assistants must
be licensed with
eXp and with no
other real estate
brokerage
company.
Licensed
assistants are
bound by the
same licensing
requirements as
an Agent
including, but
not limited to,
executing an

ICA and fully associating themselves with eXp. They shall pay all fees due under their ICA and follow all policies and procedures of eXp. Licensed assistants may only assist other Agents and may not work for or with any agents outside of eXp.

E.

Administrative Transaction Fees Agents are free to determine whether or not they will assess their respective clients an administrative transaction fee ("Administrative Transaction Fee"), provided that doing so is not precluded by applicable federal or state law, please refer to your State P&Ps for guidance. An Administrative Transaction Fee is a fee amount determined by each respective Agent, that consists of an Agent's cost of doing business (e.g., costs for any assistants and transaction coordinators used in a transaction). The Administrative

Transaction Fee
is distinct from
and, in addition
to any real
estate



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commissions to
be earned by
eXp and the
Agent. If an
Agent elects to
assess his or
her clients an
Administrative
Transaction
Fee, they must
first receive
each such
client's prior
written consent;
a sample form,
referred to as
an
"Administrative
Transaction
Fee
Agreement," is
available by
request to the
Agent's State
Broker. The
Administrative
Transaction
Fee Agreement
must be signed
by each such
client before an
Administrative
Transaction
Fee may be
assessed, and
each must
specify all of
the following: 1.
that the Agent

has the discretion to establish, set, and assess each or any of his or her clients an Administrative Transaction Fee; 2. that eXp does not require its Agents to charge any Administrative Transaction Fee, and that eXp does not establish the amount of any Administrative Transaction Fee to be charged by any of its Agents; 3. that the Administrative Transaction Fee amount may fluctuate from client to client depending upon the specific costs incurred and/or additional services rendered by the Agent; 4. that the Administrative Transaction Fee is separate from, and in addition to, any real estate commission to be earned by eXp and the Agent; 5. the exact amount of the Administrative Transaction Fee to be

assessed to the
respective
client; 6. the
time that the
Administration
Transaction
Fee will be due
and payable
whether at
closing or prior
to the Agent's
rendering of
any brokerage
related
services. If
used by an
Agent, the fully
executed
Administrative
Transaction
Fee Agreement
must be
uploaded into
eXp's
transaction
management
system.
Administrative
Transaction
Fees are
subject to the
same
commission
split applicable
to an Agent at
the time of
receipt of
payment of the
Administrative
Transaction
Fee.
Administrative
Transaction
Fees may also
be considered
part of a
referral fee that
is to be paid to
an outside
company or
vendor. F.
Associations
and Board
Memberships
Unless
specifically

waived by eXp
in an
addendum to
an Agent's ICA.
all Agents must
be members
(active and in
good standing)
of the National
Association of
REALTORS®
as well as both
the state and
local
Association of
REALTORS®
where that
respective
Agent is
situated. An
Agent's
participation in
an MLS is
optional and is
not required by
eXp, unless
eXp will be
charged a fee
as a result of
that Agent's
license being
affiliated with
eXp, in which
event that
Agent's
participation will
be required. If
an Agent holds
real estate
licenses in
more than one
state, that
Agent may, in
eXp's
discretion, be
required to join
each state
Association of
REALTORS®
in such
additional
states, as well
as one or more
local
Association(s)
or

REALTORS®
and/or MLS(s)
in such
additional
states, as
determined by
eXp. Subject to
the foregoing
paragraph, an
Agent shall
maintain an
active
membership in
a local
association or
board of
REALTORS®
affiliated with
the National
Association of
REALTORS®
as determined
by eXp, unless
that Agent
maintains an
active
membership in
the Real Estate
Board of New
York ("REBNY")
and/or the
Brooklyn MLS.
Any state that
requires eXp to
pay the Agent's
portion of the
membership
dues will be
handled



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accordingly. For
any
REALTORS®
associations that
require eXp to

pay membership
fees upfront on
behalf of an
Agent, that
Agent shall
reimburse exp
within 10 days of
invoice for the
same. Agents
who fail to timely
reimburse exp
will be subject to
removal from
exp. Agents
who are billed
directly by the
Association and
MLS are
expected to pay
those bills in a
timely manner
as directed by
the Association
and MLS. exp
will not pay late
dues on behalf
of the Agent and
the Agent will be
subject to
removal from
exp. Please
check with your
State exp P&Ps
for state specific
information and
any variances to
this policy.
Agents shall
abide by the
REALTORS®
Code of Ethics
and Standards
of Practice of
the National
Association of
REALTORS®.
the statutes and
rules of the state
within which
they are
licensed, and
any
requirements of
the MLS of
which they are a
member. G.

Contact
Information
Agents MUST
use their legal
name as it
appears on their
real estate
license in all
advertising, on
contracts and in
all real estate
correspondence.
Agents using
any name other
than their full
legal name may
only do so if
allowable within
their state and
must have the
State Broker's
approval.
Agent's
business
address is the
aXp office
address in the
state in which
the Agent's
license is
registered.
Agents must use
this address in
all activities if an
address is
required by the
state licensing
department. All
business
correspondence
related to
transactions
must be sent to
this address, not
to the Agent's
home. No
personal mail
may come to the
office. Any mail
coming to the
office will be
considered
official business
and subject to
being opened by
the State Broker

or admin team.
Agents shall
make
arrangements to
pick up any
parcels that are
delivered to the
office by
vendors and will
work to properly
inform all
vendors that
parcel deliveries
are to be
scheduled
directly with the
Agent. All
unclaimed
parcels are
subject to
disposal within
seven (7) days
of delivery.
Escrow
companies, title
companies and
other closing
agencies must
send all
communications
pertaining to a
transaction to
our company
address. Agents
may receive a
duplicate copy
of escrow
documents for
the file. Agents
are solely
responsible for
keeping their
personal contact
information
(including
mailing address,
forwarding email
address used to
forward Agent's
eXp email alias
to, and
telephone
number) current
in Enterprise.
eXp will rely
upon the

information
provided by an
Agent, in
Enterprise, as
being true,
correct, and
complete.
Agents can
update their
forwarding email
address,
telephone
number, and
emergency
contact
information
directly in
Enterprise. Any
failure by an
Agent to provide
or maintain the
most current
information in
Enterprise shall
not affect the
validity of any
notice from eXp
to the Agent. H
Contacting the
State Broker(s)
Each state has a
different State
Broker, as a
result, please
review any state
specific
information with
regard to broker
communication.
Each State
Broker will make
themselves
available inside
of eXp World for
general
communication
and discussions.
Consult the
State Broker's
public calendar
or



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State P&Ps for
their availability. If
an Agent has a
specific urgent
need for the State
Broker to address
outside of
business hours,
the Agent should
call or email the
State Broker
directly. I. Open
Houses Agents
shall only hold
open houses for
other eXp Agents.
No open houses
shall be held for
any listings other
than eXp listings
or For Sale By
Owner where
written
authorization has
been given.
Agents holding
open houses for
sellers who do not
have their house
listed for sale
must have
appropriate state
approved
documentation
completed giving
them the right to
do so. eXp
listings shall only
be held open by
other eXp Agents
who are
appropriately
licensed and
acting within their
area of expertise
for the geographic
location of the
listing. J. Out of
Town or
Unavailable

When an Agent has listings and/or open escrows and is out of town, or otherwise unable to provide services to clients, the Agent is required to notify the State Broker and fill out the appropriate company form establishing someone to manage the business in Agent's absence.

K. Physical Office Space eXp has a cloud-based office and as such does not invest in physical bricks-and-mortar infrastructure, except where required by the State Department of Licensing laws. Agents are encouraged to contact their local affiliates, title and escrow companies, lenders, banks and other organizations with whom they work if they need physical space to meet clients.

Where allowed by law and Association/Board rules, Agents who have achieved the level of associate broker and have agreed to policies relating to the opening of an eXp office may, with

approval from
eXp, be permitted
to have a branded
eXp office.
Agents shall be
responsible for
compliance with
all local and state
laws regarding
their branch
office. This
includes, but is
not limited to,
meetings,
licensing,
advertising, and
signage
requirements.
eXp may itself
open and
operate, or
authorize the
opening and
operation of, an
eXp office
("Branch Office").
Any Branch Office
that eXp
authorizes an
Agent to open
and operate will
be paid for by the
Agent or Agents
who have agreed
to open that
office, and no
obligation relating
to that office will
transfer to eXp.
Any financial
obligation with
regard to opening
and/or
maintaining a
Branch Office will
be at the expense
of the Agent(s)
who opened the
Branch Office,
including any
lines for non-
compliance and
renewal fees.
Please ask the
State Broker for
the Branch Office

Agreement and
talk to the State
Broker to see if
the Agent
qualifies. Branch
Offices must be
pre-approved in
writing (through a
Branch Office
Agreement) by
eXp prior to
operation.
advertising, or
opening. Except
for any Branch
Offices that have
been approved by
eXp, Branch
Offices shall not
be situated within
any Agent's (or
other person's)
personal
residence.



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POLICIES AND
PROCEDURES.XXI.TEAMS
AT EXP REALTY A.
Generally A "team" is
generally defined, in most
states, as a lead Agent
("team leader") and at least
one other Agent working as
a team member ("team
member"). When forming a
team, an intended team
leader shall first read and
understand the eXp
Checklist for Team Leaders
("Checklist"); an intended
team leader must first return
a signed copy of the
Checklist to eXp before any
team will be approved by
eXp. For more information
on teams, Agents may
review eXp's Teams at eXp -
Understanding Types and
Commissions Informational
sheet, and contact eXp's

Team Services Department
at
teamservices@exprealty.net.
B. Team Names Team
names shall conform with
the real estate licensing laws
and rules in effect in the
state(s) in which the team
name is being used. A team
leader shall select a
proposed team name upon
formation of a team.
Regardless of whether or not
state requirements allow use
of the terms "Realty" or
"Real Estate" in a team
name, eXp does not allow
the use of such terms in a
team name of any Agents.
The proposed team name
must be presented by the
team leader to his or her
State Broker for approval. A
team name may only be
used if, and after, it has been
approved in writing by the
team leader's State Broker.
For team registration
requirements, Agents should
consult their State P&Ps and
their State Broker team. C.
Team Composition A team of
any kind (whether a
standard team, domestic
team, or other, but excluding
self-organized teams)
cannot be composed of
members from both eXp and
eXp Commercial. All team
members must be affiliated
with the same brokerage as
their team leader (i.e., eXp
or eXp Commercial: eXp and
eXp Commercial being
distinct brokerages). For
example, a team that has a
team leader affiliated with
eXp must also have all team
members associated with
eXp; those team members
could not be associated with
eXp Commercial. Unless
advance arrangements are
made with eXp, in writing, a
team leader's departure from
a team (whether because

they leave the team, offboard from eXp, or otherwise) shall cause a team to dissolve automatically as of that date the team leader leaves the team or offboards from eXp, whichever occurs first. D. Team Agreements "Team Agreements" are to be made based on mutually agreed upon terms between a team leader and the team member(s). These agreements must be in writing, fully executed, and carefully considered to ensure compliance with all federal, state and local law as well as eXp's policies. A team leader shall maintain a copy of each fully executed Team Agreement in their files at all times.



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PROCEDURES
Team leader
shall provide a
signed copy of
their written
Team
Agreement with
each team
member to
eXp. Adjusted
Company
Dollar Cap
amounts for
team members
shall only be
provided within
applicable team
structures. eXp
will not allow a
team to stay
affiliated with

eXp if the team enforces or attempts to enforce a restriction against a former team member which would prevent them from staying with eXp after leaving the team; nor will eXp intervene in any disputes between team members and team leaders. E. Team Disputes Any disputes that may arise between or among current or former team leader(s) and/or team member(s) (collectively, the "disputing parties"), concerning any Team Agreement entered into between them, shall be resolved between and among the disputing parties and without eXp's participation. In no event will eXp assist any of the disputing parties to enforce the terms of any Team Agreement against the other disputing parties

(including enforcement of any restrictive covenants such as non-compete or non-solicitation provisions), nor will eXp preclude a former team member from remaining affiliated with eXp after his or her departure from a team. By executing their eXp ICA, each Agent agrees that if they wish to remain affiliated with eXp, they will not attempt to enforce any restrictive covenants (including, without limitation, the terms of any non-compete provisions) under any Team Agreement against any former team member that remains affiliated with eXp after leaving the applicable team, and regardless of whether or not such former team member joins a new team or remains unaffiliated with any team. If team leader(s)

or team
member(s)
nevertheless
attempt to
enforce any
restrictive
covenant in
contravention
to the
preceding
sentence, then
eXp may
terminate such
team leader(s)
and/or team
member(s)
ICA(s) and end
such team
leader(s)
and/or team
member(s)
engagement
with eXp. F.
Team Fee
Distribution 1.
Transaction
Review Fee.
Can be paid by
either the team
leader or the
team member
or split between
the two as
agreed upon in
their written
Team
Agreement. 2.
Risk
Management
Fee: Shall be
divided equally
between the
team leader
and the team
member. Each
Agent shall be
responsible for
their annual
Risk
Management
Fee cap. 3.
Commissions.
Gross
Commission
Income ("GCI"),
as defined in

Agent's ICA, shall be first divided between the team leader and the team member based on the percentages agreed to between the team leader and team member. From there, each Agent's commission split will be divided according to Company Dollar and Contractor Dollar split in effect for that Agent at the time of the Transaction closing, less any applicable Transaction fees. 4. Capped Transaction Fees: Once an Agent has reached their Company Dollar Cap (as that term is defined in the Agent's ICA), that Agent will pay a percentage of the Capped Transaction Fee equal to the percentage of GCI they received. In certain cases, eXo will reduce a team member's annual Company

Dollar Cap.
Team members
with a reduced
Company
Dollar Cap. are
not eligible to
receive the
"capping equity
award" or the
ICON



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PROCEDURES
Agent Award
as paying a full
cap amount is
required for
both. For a
team member
to qualify for a
reduced
Company
Dollar Cap, the
team and team
leader must
meet any
requirements
prescribed to
the applicable
team. G. Non-
Solicitation of
Other eXp
Team Members
No Agent may
solicit, recruit,
employ, or
entice (either
for themselves
or another),
directly or
indirectly
through a third
party, any
individuals that
are members of
other existing
teams at eXp.

to leave those
teams and join
Agent's team.
H. Application
of Non-
Solicitation and
Non-
Disparagement
Policy To
Teams To the
extent that
eXp's Non-
Solicitation and
Non-
Disparagement
Policy, as
described in the
Code of
Conduct,
above, would
prohibit an
Agent who is a
team leader of
an eXp
approved real
estate team
from leaving
eXp and taking
his or her team
members with
them to a
competing
brokerage, the
non-solicitation
portion of this
particular policy
shall not apply.
XXII.
OMISSIONS
FROM POLICY
AND
PROCEDURES
Any items or
procedural
issues not
covered in the
eXp P&Ps are
subject to State
Broker and eXp
approval. Any
decisions
rendered on the
items not
covered in the
eXp P&Ps are
final and are to

be made at the
sole discretion
of eXp. XXIII.
UPON
TERMINATION
OF ICA. An
Agent shall
forfeit all rights
to any
Transactions,
transactional
commissions or
proceeds if the
Agent does not
affiliate with a
new (non-eXp)
brokerage
company within
three (3)
business days
following the
Agent's
Offboard Date
(as that term is
defined in
Section 6 of the
ICA). Each
Agent shall
communicate
with his/her
State Broker in
advance of,
and following,
their Offboard
Date regarding
any pending
Transactions to
ensure that
such
Transactions
are not
adversely
impacted by the
termination of
the Agent's
affiliation with
eXp.



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POLICIES AND
PROCEDURES
A. eXp's
Transfer of
Pending
Transactions
Subject to the
terms in the
opening
paragraph of
this section
above, an
Agent may
execute a
pending escrow
transfer form
and transfer
any pending
Transaction(s)
to his/her new
brokerage
company.
Eligibility to
transfer
pending
Transactions in
this way is
conditioned
upon
satisfaction of
each of the
following: (1)
the Agent must
be in Good
Standing as of
his/her
Offboard Date.
(2) the Agent's
new brokerage
company must
be willing to
accept the
transfer of such
pending
Transactions
from eXp. (3)
eXp must
receive each
affected client's
prior written
consent
authorizing the
transfer to the
new brokerage
company, and

(4) eXp must approve in writing of each such transfer (which eXp may withhold in its sole and absolute discretion). For each such Transaction that is to be transferred, if any of the preceding conditions are not met, that pending Transaction will remain with eXp. For Agents not in a Capped Status, the transfer of any pending Transaction(s) away from eXp to the Agent's new brokerage company shall require the payment of a twenty percent (20%) referral fee from that new brokerage company back to eXp. In addition, for all Agents, regardless of Capped Status, any other applicable referral fees that may be due upon the closing of that pending Transaction shall be paid to eXp (by Agent through Agent's new brokerage firm), who will then remit

payment to the
originating
brokerage
company
pursuant to the
terms of any
preexisting
referral
agreement. B.
eXp's Retention
of Pending
Transactions
Subject to the
terms in the
opening
paragraph of
this section
above, eXp will
pay Agent's
commission,
less any splits,
Agent fees,
deductions or
withholdings
(including, but
not limited to,
invoices issued
from
accounting,
transaction
coordination
fees,
garnishments
or any other
outstanding
fees or legally
required
withholding)
upon closing of
any pending
Transactions
that remain with
eXp following
Agent's
affiliation with a
new brokerage
company. In
addition to
Section 6 under
the ICA, an
Agent's ICA
shall also
immediately,
and
automatically
terminate.

without prior notice, if for any reason, the Agent breaches his or her obligations hereunder, or if the Agent's license expires, is restricted, suspended or is revoked. In the event an Agent leaves eXp, his/her Offboard Date will be determined in accordance with Section 6 of the Agent's ICA titled, "Termination." Termination of an Agent's ICA could, and likely will, result in a significant financial loss to an Agent, including but not limited to: (1) loss of certain pending transactions, as more fully described above; (2) if an Agent is not in a vested status, loss of eXpansion Share payments and eXponential Share payments, including those that would otherwise have been earned on or before the Agent's Offboard Date, but paid following the

Agent's
Offboard Date;
(3) if an Agent
is in a vested
status, loss of
eXponential
Share
payments,
including those
that would
otherwise have
been earned on
or before the
Agent's
Offboard Date;
but paid
following the
Agent's
Offboard Date;
and (4) loss of
UNVESTED
eXp World
Holdings, Inc.
stock awards.



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AND PROCEDURES
Example 1: An Agent is
in a vested status and
is receiving eXpansion
Share and eXponential
Share payments. That
Agent leaves eXp,
having an Offboard
Date of August 15,
2022, and the Agent
retains their vested
status following their
Offboard Date. Also,
the Agent maintains a
real estate license that
is active and in good
standing and the Agent
does not affiliate with a
competitor. It then
follows that the Agent
will receive their
eXpansion Share
payments and
eXponential Share

payments earned for the month of July 2022, when each are paid by eXp on August 22, 2022. Example 2: Same facts as Example 1, except that the Agent affiliates with a competitor effective as of their Offboard Date. In that event, it then follows that the Agent will receive only their eXponential Share payments earned for the month of July 2022 when such payments are released by eXp on August 22, 2022. However, the Agent will not receive any eXponential Share payments that otherwise would have been earned for the month of July 2022 and paid by eXp on August 22, 2022. Upon termination of their affiliation with, and severance from eXp, Agents will lose access to all eXp tools, emails, files, and eXp provided third party sites. eXp strongly encourages Agents to backup any files they desire access to prior to requesting offboarding. C. Leads Upon Departure Upon an Agent's actual or pending departure from eXp (the "Departing Agent"), eXp shall maintain and preserve the Departing Agent's database of eXp-generated and non-eXp-generated leads within any eXp-provided consumer relationship management applications for a period of up to 30 days (the "Preservation

Period") following the Agent's Offboard Date. If the Departing Agent would like to obtain a list of his/her non-eXp generated leads, then the non-eXp generated leads can be exported upon written request to eXp's Technology and Technical Support at support@exprealty.com (an "Export Request") provided that, (1) the Export Request is received within the Preservation Period, and (2) the Departing Agent is in Good Standing. If the Departing Agent does not provide an Export Request as set forth herein during the Preservation Period, then the Departing Agent's non-eXp generated leads are subject to forfeiture and deletion after the Preservation Period expires. Notwithstanding the foregoing, any eXp-generated leads (such as, for example only, and without limitation, those generated through eXp's REO division, eXp's Relocation division, and eXp's ExpressOffers program) may not be released to Agent.



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POLICIES AND PROCEDURES D.
Rejoining eXp If an Agent terminates his or her ICA while there remain any

Amounts Owed to eXp, and the Agent wishes to rejoin eXp, then eXp may, in its sole discretion, provide the Agent with a one-time option to rejoin eXp under the following conditions: (1) the entirety of the Agent's Amounts Owed to eXp must be repaid to eXp (assuming that such Amounts Owed to eXp have not already been satisfied in full); and (2) at eXp's discretion, by and through the COE Director responsible for managing the Agent's state, such Amounts Owed to eXp must be repaid to eXp as follows: either (i) in one lump sum prior to the Agent's rejoining eXp, or (ii) in accordance with those terms and conditions set forth in a written repayment plan ("Repayment Plan") presented by the Agent's forthcoming COE Director, which Repayment Plan shall not have a term longer than sixty (60) days following the date of the Agent's rejoining eXp; (3) the Agent enters into a new ICA with eXp; and (4) the Repayment Plan shall take the form of an addendum to the Agent's new ICA with eXp. If the Agent breaches any of the above conditions, or if the Agent's new ICA is terminated for any reason, by either the Agent or eXp, and at the time of this additional ICA termination there again exists any Amounts Owed to eXp, then Agent is forever precluded from rejoining eXp as a real estate licensee, as determined in eXp's sole and absolute discretion.

XXIV. EXP'S COMPLIANCE

COMMITTEE. eXp has a Compliance Committee whose members are senior eXp executives who review, evaluate, and make determinations for the fair resolution of serious violations by Agents of their ICA and/or eXp P&Ps. A. Appeal of Determination made by eXp's Compliance Committee. If a disciplinary determination was made against an Agent by eXp's Compliance Committee, and such disciplinary determination results in any disciplinary action to be taken against an Agent, then an Agent (or former Agent) may appeal the disciplinary action to eXp's Compliance Committee (which is distinct from, and not to be confused with, the Agent Compliance team). The Agent's appeal must be in writing (together with any supporting documentation) and must be delivered to, and received by, the Agent Compliance team within fourteen (14) calendar days following the date that the Agent received notice of the disciplinary determination (send to compliance@exprealty.net). Thereafter, the Agent Compliance team will present the Agent's written appeal to eXp's Compliance Committee. If the written appeal (and any supporting documentation, if any) is not received by the Agent Compliance team within the fourteen (14) calendar day period, the disciplinary determination made by eXp's Compliance Committee will be considered final by eXp. In its review of the Agent's appeal, eXp's Compliance



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presented
evidence and the
previously enacted
disciplinary action
and notify the
Agent of its
decision to accept
or reject the
appeal. The
decision of eXp's
Compliance
Committee
concerning the
Agent's appeal will
be final. Agents
who have had their
ICA's terminated as
a disciplinary
action must fully
exhaust eXp's
appeals process
before engaging in
any legal action, as
may be permitted
under the ICA and
these eXp P&Ps.
For avoidance of
doubt, the appeals
process described
in this section is
limited only to
those situations
where a
disciplinary
determination was
made by eXp's
Compliance
Committee, and
corresponding
disciplinary action
was taken by eXp
through eXp's
Compliance

Committee. XXV.
INTERPRETATION
If any provision in
these exp. P&Ps
requires
interpretation, the
resolution of such
ambiguity shall not
be held against
exp. In these exp.
P&Ps, the singular
includes the plural
and the plural the
singular; words
importing any
gender include the
other genders;
references to
statutes are to be
construed as
including all
statutory provisions
consolidating,
amending, or
replacing the
statute referred to;
the word "or" shall
be deemed to
include "and/or".
the words
"including,"
"includes," and
"include" shall be
deemed to be
followed by the
words "without
limitation"; and
section headings
are included for
convenience of
reference only and
shall not constitute
a part of these exp.
P&Ps for any other
purpose. XXVI.
CONFLICTS To
the extent there
may be any conflict
between the terms
of an Agent's ICA
and the terms in
these exp. P&Ps,
the more restrictive
terms (in exp's
favor) shall be
controlling. XXVII.

REVISIONS TO
THESE EXP P&PS
eXp reserves the
right to revise
these eXp P&Ps, in
its sole discretion.
Revisions to these
eXp P&Ps shall be
consistent with
revisions to Agent's
ICA, as provided
by the terms of
Agent's ICA.
XXVIII.

GLOSSARY OF
DEFINED TERMS
• Affiliated
Business
Arrangement
(ABA) - The
definition of the
term "affiliated
business
arrangement" is
defined in 12
USCS § 2602(7) of
the Real Estate
Settlement
Procedures Act.
The term "affiliated
business
arrangement"
means an
arrangement in
which (A) a person
who is in a position
to refer business
incident to or a part
of a real estate
settlement service
involving a
federally related
mortgage loan, or
an associate of
such person, has
either an



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affiliate
relationship
with or a direct
or beneficial
ownership
interest of more
than 1 percent
in a provider of
settlement
services; and
(B) either of
such persons
directly or
indirectly refers
such business
to that provider
or affirmatively
influences the
selection of that
provider; and
(8) the term
"associate"
means one who
has one or
more of the
following
relationships
with a person in
a position to
refer settlement
business: (A) a
spouse, parent,
or child of such
person; (B) a
corporation or
business entity
that controls, is
controlled by, or
is under
common
control with
such person;
(C) an
employer,
officer, director,
partner,
franchisor, or
franchisee of
such person; or
(D) anyone who
has an
agreement,
arrangement,
or

understanding
with such
person, the
purpose or
substantial
effect of which
is to enable the
person in a
position to refer
settlement
business to
benefit
financially from
the referrals of
such business.
• Access
Agreement - An
abbreviated
term referring
to the exP
Agent &
Support
Personnel
Cloud
Brokerage
Access
Agreement
that, once
completed and
accepted,
allows support
staff (such as
administrative
and/or
transaction
coordinator
assistants) to
access exP's
various
systems. •
Administrative
Transaction
Fee - A fee
amount
determined by
each respective
Agent, that
consists of an
Agent's cost of
doing business
(e.g., costs for
any assistants
and transaction
coordinators
used in a given
transaction)

and is distinct
from and in
addition to any
real estate
commissions to
be earned by
eXp and Agent.
• Agent - An
independent
contractor real
estate licensee
who has
entered into an
agreement with
eXp through an
eXp
Independent
Contractor
Agreement
(referred to as
Agents
collectively). •
Agent
Attraction - The
process of
engaging
credible,
ethical, and
productive real
estate
professionals
and inviting
them to join
eXp, or its
commercial
affiliate, eXp
Commercial. •
Agent Content -
Content such
as
photographs,
images or
content of any
type created,
commissioned,
by, or otherwise
owned by
Agent. • Agent-
Owned -
Ownership is
held or
controlled by an
Agent, whether
through an
Agent's own
name, a

spouse's name;
a business
entity, a trust,
or that is
otherwise
owned and/or
controlled by
Agent and/or
Agent's spouse
(also referred to
as an "Agent-
Owner") •
Anniversary
Date - The first
day of the
calendar month
following an
Agent's
Onboard Date
with eXp. So,
for example, if
Agent's
Onboard Date
is January 18,
2022, then
Agent's
Anniversary
Date will be
February 1,
2022. •
Anniversary
Year - The
period of time
that begins on
an Agent's
Anniversary
Date with eXp.
and ends the
first day of the
calendar month
following the
Agent's
Onboard Date
with eXp, and
ending on the
day
immediately
preceding the
next
Anniversary
Date. So, for
example, if an
Agent's
Onboard Date
is January 18,
2022, then the

Agent's
Anniversary
Date would be
February 1
2022 and the
Agent's
Anniversary
Year will run
from February
1, 2022 through
January 31
2023, and
continue for the
same period
each year
thereafter
Except as
otherwise



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expressly
agreed to the
contrary, an
Agent's
Capping Period
will directly
overlap with
Agent's
Anniversary
Year. • Branch
Office - Any
eXp office,
whether
opened and
operated by
eXp, or
authorized by
eXp to be
opened and
operated by an
Agent, Agent
opened and
operated
Branch Offices
must be pre-
approved in

writing (through
a Branch Office
Agreement) by
eXp prior to
operation.
advertising, or
opening. •
BPO - An
abbreviation for
the term
"Broker Price
Opinion." •
Capped Status
- An Agent
reaches
Capped Status
when the
amount of
Company
Dollar required
under that
Agent's ICA or
ICA addendum
has been
collected by
eXp within that
Agent's
Capping
Period. • CAN-
SPAM -
Abbreviation for
the Controlling
the Assault of
Non-Solicited
Pornography
And Marketing
Act of 2003
which is a law
passed in 2003
establishing the
United States'
first national
standards for
the sending of
commercial
email. •
Commercial
Property - Any
real property
that is not
Residential
Property. (See
definition for
"Residential
Property
below). •

Company
Dollar - The
portion of
Gross
Commission
Income
retained by eXp
from each
Transaction. •
eXp's
Compliance
Committee - A
committee
whose
members are
senior eXp
executives who
review,
evaluate, and
make
determinations
for the fair
resolution of
serious
violations by
Agents of their
ICA and/or eXp
P&Ps. •
Departing
Agent - Agent
departing from
eXp. • DMB -
An abbreviation
for the term
"Designated
Managing
Broker." • E&O
- Errors and
omissions
insurance. •
eXp Licensees
- eXp or any of
its affiliates or
licensees (not
to be confused
with real estate
licensees), as it
pertains to
Agent Content.
(See definition
for "Agent
Content"
above). • eXp -
The applicable
eXp Realty
entity licensed

as a real estate
brokerage
company in the
Agent's state(s)
of licensure:
eXp Realty,
LLC (in all
states except
those that
follow); eXp
Realty of
California, Inc.
(in California);
eXp Realty of
Northern
California, Inc.
(in northern
California); eXp
Realty of
Greater Los
Angeles, Inc.
(in central
California); eXp
Realty of
Southern
California, Inc.
(in southern
California); eXp
Realty North,
LLC (in N.
Dakota,
Minnesota, and
portions of New
York, except as
further
qualified); eXp
Realty of
Connecticut,
LLC (in
Connecticut,
and



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AND PROCEDURES
Brooklyn, New York),
and eXp Realty
Associates, LLC (in
Brooklyn, mid-town, and
downtown, New York
City). • eXp Brokerage

- This is a specific brokerage company, within the eXp World Holdings, Inc. family of real estate brokerage companies, that conducts business under any of the eXp® Realty or eXp® Commercial brands, and that is licensed or registered to engage in the real estate brokerage business in its particular jurisdiction (whether country, state, province, region, etc.). •

eXpansion Share - eXpansion Share is revenue share generated from the Revenue Share Pool received from Qualifying Transactions closed by an Agent's Revenue Share Group, and that is paid out to the Agent in an amount that is based on the Tier group of the Agent(s) who closed the Transaction(s). •

eXponential Share - eXponential Share is revenue share generated from the Revenue Share Pool received from Qualifying Transactions closed by an Agent's Revenue Share Group, and that is paid out to the Agent in an amount that is based on the Tier group of the Agent(s) who closed the Transaction(s). In order to unlock eXponential Share earning potential, the Agent must have the minimum number of Front-Line Qualifying Active agents (as defined below). • Export Request - A written request from a

Departing Agent to
eXp's Technology and
Technical Support team.
sent via email to
support@exprealty.com.
for a list of all of the
Departing Agent's non-
eXp generated leads. •
Front-Line Qualifying
Active (FLQA) - A Front-
Line Qualifying Active
agent is a licensed
Agent who has been
sponsored into eXp and
has been active and
productive with eXp
during the prior rolling
six-month period by
closing a minimum of
\$5,000 in Gross
Commission Income. In
order to unlock
eXponential Share
earning potential
beyond Tier 1, an Agent
must have the minimum
number of Front-Line
Qualifying Active agents
in his or her Revenue
Share Group. • FTC -
An abbreviation for the
Federal Trade
Commission which is an
independent agency of
the United States
government whose
principal mission is the
enforcement of civil U.S.
antitrust law and the
promotion of consumer
protection. • Gross
Commission Income
(GCI) - Gross
Commission Income is
income retained by eXp
after referrals, but prior
to commission split. •
Good Standing - To be
considered in Good
Standing, an Agent
must be current on all
financial obligations and
not have any unpaid
fees, charges,
repayments, or any
other amounts owed by

Agent to eXp; (2) have and maintain an active and current status on: (i) all required licenses; (ii) local, state, and national REALTOR® Association/Board memberships, where applicable; and (iii) any other subscriptions which are required to conduct real estate business in Agent's state(s); (3) not be deemed in breach of any term, covenant, condition, obligation (including monies owed) or duty set forth in the ICA and these eXp P&Ps, as determined by eXp in its



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reasonable discretion; and (4) not be involved in any legal claims, disputes, or administrative hearings. • ICA - An abbreviation for eXp's form of Independent Contractor Agreement • ICON - A status awarded to Agents who have received an ICON Agent Award. • ICON Agent Award - An award

earned by Agents who have achieved certain production and cultural goals within an Agent's Capping Period. Each qualified ICON® receives publicly-traded eXp World Holdings, Inc. common stock.

- Income Claims - Statements or representations that depict earnings obtained by Agents as a result of participating in the eXp opportunity. Such claims can consist of direct statements, presentations, videos, social media posts, charts, and images that directly state or imply what earnings an individual Agent made or makes and what earnings a prospective Agent might be able to make with eXp. Income and earnings claims also include implied claims such as lifestyle representations.
- Initial FLQA Period: A six (6) month period

that begins at the moment that an Agent satisfies the initial FLQA Period Productivity Requirement during which time Agent will be classified as FLQA for his or her Sponsor. • initial FLQA Period Productivity Requirement (a.k.a. "Productivity Requirement"). The requirement that a new Agent must close a minimum of \$5,000 in Gross Commission Income during the prior six (6) month period to qualify for the initial FLQA Period. • Limited Function Referral Offices. Offices that are solely engaged in referring clients or customers to non-eXp real estate brokerage companies. Agents shall not operate limited function referral offices through eXp. • Limited Representation. Any representation relationship with a seller, buyer,

landlord, or
tenant that
limits the
services to be
provided to that
person. •
Mentor Program
Requirements -
Generally, if an
Agent has not
completed three
(3) purchase
Transactions or
sale
Transactions (or
any
combination
thereof) within
the twelve (12)
month period
immediately
preceding the
Agent's
Onboard Date,
then the Agent
will be required
to participate in
the eXp Mentor
Program as a
mentee, upon
transfer of their
license to eXp.
• Minimum
Company Dollar
Rule - The rule
providing that
Company Dollar
on purchase or
sale
commissions
below 3% of the
closed selling
price will be
subject to a
minimum of
\$500 or the
regular 20%
split based on
3% of the
closed selling
price, whichever
is lower. This
Minimum
Company Dollar
Rule only
applies to

Transactions
closed by
Agents who are
not in a Capped
Status



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• MLS - An
abbreviation for
Multiple Listing
Service. • NAR
- An
abbreviation for
the National
Association of
REALTORS®
• One eXp
Agent, Two
Transaction
Sides - A dual
agency
transaction in
which one
natural person
represents a
buyer and
seller in the
same
transaction. •
Original
Sponsor
Window - The
one hundred
eighty (180)
day period
immediately
following an
Agent's
Offboard Date
during which
time, if an
Agent rejoins
eXp, that
Agent's
Sponsor will
continue to

serve in the same capacity.

- **Personal Transaction** - Any transaction concerning a property that is Agent-Owned or leased by an Agent, regardless of whether the Agent-Owner chooses to represent themselves or have another eXp Agent represent them.
- **Potential Local Sponsor** - A vendor that desires to sponsor a local event for eXp.
- **Preservation Period** - A period of up to 30 days in which a Departing Agent's database of eXp-generated and non-eXp-generated leads within any eXp-provided consumer relationship management applications is preserved.
- **Property Management Services** - Engaging in any activities concerning an actual or prospective tenant on behalf of a client, whether or not such

activities are coupled with any property preservation services (as that term is defined herein) (e.g., collecting rents, performing inspections, setting up repairs and maintenance, running a background check, making or assisting with tenant selection, etc.).

- **Property Preservation Services** - Tending to and managing only the physical aspects of any real property on behalf of a client (e.g., scheduling, coordinating, and/or setting up any repairs or maintenance concerning a client's real property).
- **Qualifying Transaction: A** Qualifying Transaction is either: (a) a purchase Transaction, sales Transaction, or (in the case of eXp Commercial) a business brokerage Transaction, that generates Company Dollar; or (b)

BPOs
rental/lease
Transactions
or referrals that
respectively
generate Gross
Commission
Income of at
least \$1,000. A
Personal
Transaction
does not
generate
Company
Dollar, and is
therefore not a
Qualifying
Transaction. •
Residential
Property - Any
real property
that is zoned to
accommodate
a residential
dwelling having
not less than
one (1) and not
greater than
four (4)
dwelling units,
whether such
real property is
vacant land or
improved real
property. •
REBNY - An
abbreviation for
the Real Estate
Board of New
York. • RESPA
- An
abbreviation for
the Real Estate
Settlement
Procedures
Act



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- Revenue Share Group - An Agent's Revenue Share Group consists of the Agents that he or she personally sponsors to join the sales ranks of eXp and those Agents sponsored thereafter as a result of the Agent's original sponsorship(s).
- Revenue Share Eligible (a.k.a. "Revenue Share Eligibility") - For an Agent to remain eligible to collect revenue share (also referred to as "Revenue Share Eligibility"), the Agent must be in Good Standing.
- Revenue Share Plan - The common term used to identify the eXp Sustainable Revenue Share Plan that allows Agents to participate in a financial incentive paid out monthly to agents who have helped grow company sales.
- Revenue Share Pool: Fifty percent (50%)

of Company
Dollar
generated on a
Qualifying
Transaction.
used for
calculation of
revenue share
payments. •
SEC - An
abbreviation for
the U.S.
Securities and
Exchange
Commission,
which is an
independent
agency of the
United States
federal
government
whose primary
purpose is to
enforce the law
against market
manipulation. •
Service Charge
- A \$100
service charge
that is added
to: 1) any
advances made
from a
commission
advance
company that is
outside of the
eXp preferred
partners
network; and 2)
and UCC liens
presented to
eXp from a
commission
advance
company
seeking
payment of any
unpaid
commission
advance(s). •
Solicitation
Laws - Laws
encompassing
broad-based
mandates like

the Telephone
Consumer
Protection Act
("TCPA"), the
Telemarketing
Sales Rules
("TSR"), the
CAN-SPAM
Act, Federal
Trade
Commission
("FTC") rules,
Securities and
Exchange
Commission
("SEC")
regulations,
and state and
national tortious
interference
laws, and their
implementing
rules and
regulations. •
Sponsor - A
Sponsor is the
Agent who a
Joining Agent
selects (as
identified in
their ICA) as
the person who
most influenced
them to join
eXo. •
Sponsorship -
An Agent's sole
requirement to
qualify as a
sponsor is
selection by the
Joining Agent in
their ICA as the
individual who
most influenced
them to join
eXo. The role
of sponsor is
distinctive from
other roles like
a mentor,
coach, or team
leader. In some
cases, these
roles are
assumed by the

same person,
but they are not
mandatory for a
sponsor. •
Sponsorship
Interference -
Any effort(s) or
action(s) taken
by an Agent to
interfere with,
coerce, or
otherwise
unethically
encourage or
convince a
prospective or
current Agent
to change their
intended
sponsorship
declaration (or
current
sponsor)
Sponsorship
Interference is
prohibited and
subject to
corrective
action up to
and including
termination of
their affiliation
with, and
severance from
eXp.



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• State Broker -
Designated
Managing
Broker or
applicable
Managing
Broker(s)
(individually
and

collectively). •
State P&Ps –
Means those
policies and
procedures
applicable to a
particular state.
• State
Department of
Licensing - A
State's
department or
agency that is
charged with
administering
the issuance of
any real estate
licenses in that
State. • Straw
Agent - Straw
Agents are
Agents who are
not engaged in
the business of
selling real
estate or
engaged in the
process of
attracting other
productive
agents to join
eXp and help
grow company
sales. • eXp
Sustainable
Revenue Share
Plan (a.k.a.
'Revenue
Share Plan') -
The Revenue
Share Plan
exists to
provide a
financial
incentive to the
Agents with
eXp who have
helped grow
sales within the
eXp family of
real estate
brokerage
companies. •
T&E Addendum
- An
abbreviation for

the term "Title & Escrow eXp Addendum." •

TC - An abbreviation for the term "Transaction Coordinator." •

TCPA - An abbreviation for the term "Telephone Consumer Protection Act of 1991." This law restricts marketing through certain types of phone calls and text messages, and provides protection for private citizens through the National Do Not Call List. It also places restrictions on the use of automated dialing systems and artificial or prerecorded voice messages. •

Team - A "team" is generally defined, in most states, as a lead Agent ("team leader") and at least one other Agent working as a team member ("team member"). •

Team Agreement - An agreement outlining mutually agreed upon terms between

a team leader
and the team
member(s).
These
agreements
must be in
writing, fully
executed and
carefully
considered to
ensure
compliance
with all federal,
state and local
law as well as
eXp's Policies.
• Team Leader
- Lead Agent
on a team. •
Team Member -
An Agent (other
than a team
leader) that is
working as a
team member
with a team
leader. • Tier -
In the Revenue
Share Plan, the
hierarchy of
Agents that are
sponsored in
succession
beginning with
the Agent and
each group of
Agents
thereafter. •
TSR - An
abbreviation for
the
Telemarketing
Sales Rule.
enacted in
1995; it is the
FTC's
regulation on
telemarketing
authorized by
the
Telemarketing
and Consumer
Fraud and
Abuse
Prevention Act.



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• Vesting
Period - The
time period
consisting of
not less than 36
consecutive
months, during
which time an
Agent must
satisfy the
following two
conditions in
order to
become vested
in the Revenue
Share Plan: (1)
be in Good
Standing; and
(2) be affiliated
with eXp as a
real estate
licensee.
NEXT
SECTION
CONTINUED
ON NEXT
PAGE



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**(This section of
these eXp P&Ps
is an excerpt
taken directly
from the Insider
Trading Policy of
eXp World
Holdings, Inc.

(adopted as of
March 31, 2023).
Part II has been
intentionally
omitted as it does
not apply to
Agents of exp.
unless they are
also "insiders," in
which event they
will receive Part II
separately.)*"
XXIX. INSIDER
TRADING
POLICY OF EXP
WORLD
HOLDINGS, INC.
This Insider
Trading Policy
("Policy")
describes the
standards of exp
World Holdings,
Inc. and its
subsidiaries (the
"Company") on
trading, and
causing the
trading of, the
Company's
securities or
securities of
certain other
publicly traded
companies while
in possession of
confidential
information. Part I
of this Policy
(below) prohibits
trading in certain
circumstances
and applies to all
directors,
executive
officers,
employees,
agents, and
brokers, and their
respective
immediate family
members, of the
Company. One of
the principal
purposes of the
United States

federal securities laws is to prohibit so-called "insider trading." Simply stated, insider trading occurs when a person uses material nonpublic information about the Company to make decisions to purchase, sell, give away or otherwise trade the Company's securities or the securities of certain other companies or to provide that information to others outside the Company. The prohibitions against insider trading apply to trades, tips and recommendations by any person, including all persons associated with the Company, if the information involved is "material" and "nonpublic." These terms are defined in this Policy under Part I, Section 3 below. The prohibitions would apply to any director, executive officer, employee, agent or broker of the Company who buys or sells securities on the basis of material nonpublic information that he or she

obtained about the Company, its businesses, partners, competitors or other companies with which the Company has contractual relationships or may be negotiating transactions.

PART I 1

Applicability. This Policy applies to all trading or other transactions in (i) the Company's securities, including common stock, options and any other securities that the Company may issue, such as preferred stock, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company's securities, whether or not issued by the Company and (ii) the securities of certain other companies, including common stock, options and other securities issued by those companies as well as derivative securities relating to any of those companies, securities, where the person trading used

information
obtained while
working for the
Company. 2. No
Trading or
Causing Trading
While in
Possession of
MNPI. (a) No
director,
executive officer,
employee, agent,
or broker or any
of their immediate
family members
may purchase or
sell, or offer to
purchase or sell,
any Company
security, whether
or not issued by
the Company,
while in
possession of
material
nonpublic
information
("MNPI") about
the Company.
(The terms
"material" and
"nonpublic" are
defined in Part I,
Section 3(a) and
(b) below.) (b) No
director,
executive officer,
employee, agent,
or broker or any
of their immediate
family members
who knows of any
material
nonpublic
information about
the Company
may
communicate that
information to any
other person
("tip"), including
family members
and friends, or
otherwise
disclose such
information

without the
Company's
authorization.



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(c) No director,
executive officer,
employee,
agent, or broker
or any of their
immediate
family members
may purchase or
sell any security
of any other
publicly traded
company while
in possession of
material
nonpublic
information
related to that
company that
was obtained in
the course of his
or her
involvement with
the Company.
No director,
executive officer,
employee,
agent, or broker
or any of their
immediate
family members
who knows of
any such
material
nonpublic
information may
communicate
that information
to, or tip, any
other person,
including family
members and

friends, or
otherwise
disclose such
information
without the
Company's
authorization.
(d) For
compliance
purposes, you
should never
trade, tip or
recommend
securities (or
otherwise cause
the purchase or
sale of
securities) while
in possession of
information that
you have reason
to believe is
material and
nonpublic unless
you first consult
with, and obtain
the advance
approval of, the
Compliance
Officer (which is
defined in Part I,
Section 3(c)
below). (e)
Directors and
executive
officers of the
Company must
"pre-clear" all
trading in
securities of the
Company in
accordance with
the procedures
set forth in Part
II, Section 3
below. 3.
Definitions. (a)
Material. Insider
trading
restrictions
come into play
only if the
information you
possess is
"material."
Materiality.

however, involves a relatively low threshold. Information is generally regarded as "material" if it has market significance, that is, if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision. Information dealing with the following subjects is reasonably likely to be found material in particular situations: (i) significant changes in the Company's prospects; (ii) significant write-downs in assets or increases in reserves; (iii) developments regarding significant litigation or government agency investigations; (iv) liquidity problems; (v) changes in earnings estimates or unusual gains or losses in major operations; (vi) major changes

in the
Company's
management or
the board of
directors; (vii)
changes in
dividends; (viii)
extraordinary
borrowings; (ix)
major changes
in accounting
methods or
policies; (x)
award or loss of
a significant
contract; (xi)
cybersecurity
risks and
incidents,
including
vulnerabilities
and breaches,
(xii) changes in
debt ratings,
(xiii) proposals,
plans or
agreements,
even if
preliminary in
nature, involving
mergers,
acquisitions,
divestitures,
recapitalizations,
strategic
alliances,
licensing
arrangements,
or purchases or
sales of
substantial
assets; and (xiv)
offerings of
Company
securities.
Material
information is
not limited to
historical facts
but may also
include
projections and
forecasts. With
respect to a
future event,
such as a

merger,
acquisition or
introduction of a
new product, the
point at



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which
negotiations or
product
development
are determined
to be material is
determined by
balancing the
probability that
the event will
occur against
the magnitude
of the effect the
event would
have on a
company's
operations or
stock price
should it occur.
Thus,
information
concerning an
event that
would have a
large effect on
stock price,
such as a
merger, may be
material even if
the possibility
that the event
will occur is
relatively small.
When in doubt
about whether
particular
nonpublic
information is
material, you

should
presume it is
material. If you
are unsure
whether
information is
material, you
should either
consult the
Compliance
Officer before
making any
decision to
disclose such
information
(other than to
persons who
need to know it)
or to trade in or
recommend
securities to
which that
information
relates, or
assume that
the information
is material. (b)
Nonpublic
insider trading
prohibitions
come into play
only when you
possess
information that
is material and
"nonpublic."
The fact that
information has
been disclosed
to a few
members of the
public does not
make it public
for insider
trading
purposes. To
be "public" the
information
must have
been
disseminated in
a manner
designed to
reach investors
generally, and
the investors

must be given
the opportunity
to absorb the
information.
Even after
public
disclosure of
information
about the
Company, you
must wait until
the close of
business on the
second trading
day after the
information was
publicly
disclosed
before you can
treat the
information as
public.
Nonpublic
information
may include: (i.)
information
available to a
select group of
analysts or
brokers or
institutional
investors; (ii.)
undisclosed
facts that are
the subject of
rumors, even if
the rumors are
widely
circulated; and
(iii.) information
that has been
entrusted to the
Company on a
confidential
basis until a
public
announcement
of the
information has
been made and
enough time
has elapsed for
the market to
respond to a
public
announcement.

of the
information
(normally two
trading days).
As with
questions of
materiality, if
you are not
sure whether
information is
considered
public, you
should either
consult with the
Compliance
Officer, or
assume that
the information
is nonpublic
and treat it as
confidential. (c)
Compliance
Officer. The
Company has
appointed the
General
Counsel as the
Compliance
Officer for this
Policy. The
duties of the
Compliance
Officer include,
but are not
limited to, the
following: (i)
assisting with
implementation
and
enforcement of
this Policy; (ii)
circulating this
Policy to all
covered
persons and
ensuring that
this Policy is
amended as
necessary to
remain up-to-
date with
insider trading
laws; (iii) pre-
clearing all
trading in
securities of the

Company by
directors and
executive
officers in
accordance
with the
procedures set
forth in Part II,
Section 3
below; and (iv)
providing
approval of any
Rule 10b5-1
plans under
Part II, Section
1(c) below and
any prohibited
transactions
under Part II,
Section 4
below. 4.
Exception. The
trading
restrictions of
this Policy do
not apply if you
are exercising
stock options
granted under
the Company's
2015 Equity
Incentive Plan
(or any
successor plan)
for cash or the
delivery of
previously
owned
Company
stock. However,
the sale of any
shares issued
on the exercise
of Company-
granted stock
options and any
cashless
exercise of
Company-
granted stock
options are
subject to
trading
restrictions
under this
Policy. 5.



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Penalties for trading on or communicating material nonpublic information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory. (a) Legal Penalties. A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has material nonpublic information can be sentenced to a substantial jail term and required to pay a criminal penalty of several times the amount of profits gained or losses avoided. In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed material nonpublic information. Tippers can be subject to the same penalties and sanctions as the tippees, and the SEC has imposed large penalties even when the tipper did not profit from the transaction. The SEC can also seek substantial civil penalties from any person who, at the time of an insider trading violation, "directly or indirectly controlled the person who committed such violation," which would apply to the Company and/or management and supervisory personnel. These control persons may be held liable for up to the greater of \$2,301,065 or three times the amount of the profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek penalties from a company and/or its management and supervisory personnel as control persons. (b) Company-Imposed Penalties. Persons who violate this Policy may be subject to disciplinary action by the Company.

including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Compliance Officer and must be provided before any activity contrary to the above requirements takes place. 6. Inquiries. If you have any questions regarding any of the provisions of this Policy, please contact the Compliance Officer at james.bramble@expworldholdings.com. [END OF DOCUMENT]

Exhibit 31.1

**Certification of the Chief Executive Officer pursuant to Rule
13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Glenn Sanford, hereby certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of eXp World Holdings, Inc.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 report;
4. The registrant's other certifying officer(s) 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 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 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 report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this 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 officer(s) 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 functions):
 - (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: May 1, July 31, 2024

By: /s/ Glenn Sanford
Glenn Sanford
Chief Executive Officer (Principal Executive Officer)

**Certification of the Chief Accounting Officer (Principal Financial Officer) pursuant to Rule
13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Kent Cheng, hereby certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of eXp World Holdings, Inc.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 report;
4. The registrant's other certifying officer(s) 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 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 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 report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this 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 officer(s) 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 functions):
 - (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: **May 1, July 31, 2024**

By: /s/ Kent Cheng
 Kent Cheng
 Chief Accounting Officer (Principal Financial Officer)

**Certification of Chief Executive Officer pursuant to 18 U.S.C.
1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the quarterly report of eXp World Holdings, Inc. (the "Company") on Form 10-Q for the period ended **March 31, 2024** **June 30, 2024** as filed with the Securities and Exchange Commission (the "Report"), I, Glenn Sanford, the Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **May 1, July 31, 2024**

By: /s/ Glenn Sanford
Glenn Sanford
Chief Executive Officer (Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission ("SEC") or its staff upon request.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the SEC and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

**Certification of Chief Accounting Officer (Principal Financial Officer) pursuant to 18 U.S.C.
1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the quarterly report of eXp World Holdings, Inc. (the "Company") on Form 10-Q for the period ended **March 31, 2024** **June 30, 2024** as filed with the Securities and Exchange Commission (the "Report"), I, Kent Cheng, the Chief Accounting Officer (Principal Financial Officer) of the Company, hereby certify pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **May 1, July 31, 2024**

By: /s/ Kent Cheng
Kent Cheng
Chief Accounting Officer (Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission ("SEC") or its staff upon request.

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the SEC and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

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