

RE/MAX HOLDINGS, INC.  
AUDIT COMMITTEE CHARTER



**I. Purpose**

The Audit Committee (the “Committee”) is established by the Board of Directors (the “Board”) of RE/MAX Holdings, Inc. (together with its consolidated subsidiaries, the “Company”) for the primary purpose of assisting the Board in its responsibilities to the Company and its shareholders relating to the accounting and financial reporting process of the Company, the audits of the financial statements of the Company and the Company’s process for monitoring compliance with related laws and regulations and its codes of conduct, and for the purposes set forth in the listing requirements of the New York Stock Exchange (“NYSE”).

The Committee shall also review the policies and procedures adopted by the Company to fulfill its responsibilities regarding the fair and accurate presentation of financial statements in accordance with generally accepted accounting principles (“GAAP”), the NYSE, and the applicable rules and regulations of the Securities and Exchange Commission (the “SEC”).

Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee should also provide an open avenue of communication among the independent registered public accounting firm, financial and senior management, the internal auditing function and the Board.

The Company shall provide appropriate funding, as determined by the Committee, for compensation to the independent registered public accounting firm and to any advisers that the Committee chooses to engage as well as for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section III of this Charter.

**II. Composition and Meetings**

The Committee shall be comprised of at least that number of members required by the listing standards of the NYSE, and, in any event, shall consist of at least three members. Each member of the Committee shall be a member of the Board and meet applicable independence requirements for membership of an audit committee in accordance with listing standards of the NYSE, subject to any applicable exceptions such as the initial phase-in periods applicable in connection with and after the Company’s initial public offering. If a member of the Committee simultaneously serves on the audit committees of more than three public companies, the Board must determine that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

To the extent that the Company elects a “controlled company” exception under the listing requirements of the NYSE, then any listing requirement of the NYSE or provision of this Charter

from which the Company is exempt under such controlled company or other provision shall be deemed inapplicable to the Company if and for so long as the Company relies upon the controlled company or other similar exception without further amendment of this Charter. The pertinent provisions of the listing requirements of the NYSE and this Charter shall again be deemed applicable without further amendment of this Charter at such time as the Company elects to no longer rely upon, or is otherwise no longer eligible to rely upon, the controlled company or other similar exception.

Each member of the Committee must be financially literate, as such qualification is interpreted by the Board in its business judgment, and at least one member of the Committee shall meet the definition of “audit committee financial expert” as set forth in Rule 407(d)(5) of Regulation S-K. The existence of such member(s) shall be disclosed as required by the SEC. Members of the Committee may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Company or an outside consultant.

Committee members shall be appointed by the Board, based on the recommendation of the Nominating and Corporate Governance Committee, if applicable, and shall serve until their successors shall be duly elected and qualified or until their earlier resignation or removal. Committee members may be removed at any time by vote of the Board. Committee members may resign at any time and may resign from the Committee without resigning from the Board.

Unless a Chair is elected by the full Board, members of the Committee may designate a Chair by majority vote of the full Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. To the extent practical and appropriate, it shall be the policy of the Committee that regularly scheduled meetings should generally conclude with an executive session of the Committee without members of management and on such terms and conditions as the Committee may elect. As part of its job to foster open communication, the Committee should, to the extent practical and appropriate, meet periodically with management, the employee or outside consultant who is in charge of the internal auditing function and the independent registered public accounting firm in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately.

### **III. Authority, Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall be authorized to:

#### *General*

1. Regularly report to the Board regarding Committee activities, issues, and related recommendations.
2. Encourage continuous improvement of, and foster adherence to, the Company's policies, procedures, and practices at all levels.

3. Encourage an open avenue of communication among the independent registered public accounting firm, financial and senior management, the internal auditing function, and the Board.
4. Confirm annually that all responsibilities outlined in this Charter have been carried out.
5. Review and assess the Committee's and individual members' performance at least annually.
6. Review this Charter periodically, and no less frequently than annually, and recommend to the Board any necessary amendments as conditions dictate.

*Documents/Reports/Accounting Information Review*

7. Review and discuss with management and the independent registered accounting firm the Company's annual financial statements, including the Management's Discussion and Analysis proposed to be included in the Company's Annual Report on Form 10-K, quarterly financial statements, and all internal controls reports (or summaries thereof), if any, and recommend to the Board, if appropriate, that the audited financial statements be included in the Company's Annual Report on Form 10-K for filing with the SEC.
8. To the extent practical and appropriate, review other relevant reports or financial information submitted by the Company to any governmental body, or the public, including management certifications as required by the Sarbanes-Oxley Act of 2002 (Sections 302 and 906), and any relevant reports rendered by the independent registered public accounting firm (or summaries thereof).
9. Review and discuss with management and the independent registered public accounting firm 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 Company's ability to record, process, summarize and report financial information and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.
10. Prepare the Audit Committee Report as required by the rules of the SEC.
11. Review with financial management and the independent registered public accounting firm each Quarterly Report on Form 10-Q prior to its filing.
12. Review, before release, the unaudited operating results in the Company's quarterly earnings release and/or discuss the contents of the Company's quarterly earnings release with management, as well as financial information and earnings guidance provided to analysts and rating agencies.

13. Review, before release, any non- GAAP or “pro forma” financial information, guidance or revised guidance to be included in a press release of the Company.
14. Review the regular internal reports (or summaries thereof) to management prepared by the internal auditing department and management’s response.
15. Discuss policies with respect to risk assessment and risk management.

*Independent Registered Public Accounting Firm*

16. Be responsible for the appointment of, and review and approval, on a continuing basis, of the retention, termination and performance of the Company’s independent registered public accounting firm and as part of this responsibility the Committee shall:
  - appoint, retain, compensate and terminate the independent registered public accounting firm;
  - understand if there were any significant issues that were discussed between the independent registered public accounting firm and management in connection with the initial appointment or retention of the independent registered public accounting firm;
  - understand the independent registered public accounting firm’s responsibilities and the terms of the audit engagement; along with the overall audit strategy and timing and the significant risks identified by the independent registered public accounting firm during its risk assessment procedures;
  - communicate timely any information that is relevant to the audit to the independent registered public accounting firm, including but not limited to, violations or possible violations of laws or regulations;
  - oversee the work performed by the independent registered public accounting firm for the purpose of preparing or issuing an audit report or related work, and obtain from the independent registered public accounting firm timely observations arising from the audit that are significant to the financial reporting process;
  - review the performance of the independent registered public accounting firm;
  - have the independent registered public accounting firm report directly to the Committee and the Committee shall oversee the resolution of disagreements between management and the independent registered public accounting firm in the event that they arise;
  - consider and evaluate whether the independent registered public accounting firm’s performance of permissible non-audit services is compatible such firm’s independence; and
  - establish a clear understanding with management and the independent registered public accounting firm that such firm is accountable to the Committee and the Board as representatives of the Company’s stockholders.

17. Review the independent registered public accounting firm's attestation and report on management's internal control, as well as any other opinions it may issue from time to time; obtain from the independent registered public accounting firm assurance that it has complied with Section 10A of the Securities Exchange Act of 1934; and hold discussions with the independent registered public accounting firm, at least prior to the filing of the independent registered public accounting firm's audit report with the SEC pursuant to federal securities laws, regarding the following:
- all critical and significant accounting policies, practices and accounting estimates and the quality thereto in accordance with Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 16 - Communication with Audit Committees, as may be modified or supplemented from time to time;
  - all alternative treatments permissible under applicable financial reporting rules for policies and practices related to material items that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accounting firm;
  - other material written communications between the independent registered public accounting firm and management;
  - disagreements with management and significant difficulties encountered in performing the audit;
  - any significant changes made to the independent registered public accounting firm's anticipated audit plan and the reasons for such changes,
  - other matters arising from the audit that are significant to the oversight of the financial reporting process; and
  - any other relevant reports, including regular internal financial reports prepared by management of the Company and any internal auditing department, or other financial information.
18. Review with the independent registered public accounting firm, prior to the filing of the Company's periodic report with the SEC pursuant to federal securities laws, regarding the following:
- understanding of the terms of the engagement to review the interim financial information;
  - any significant deficiencies or material weaknesses, if any, that has come to the attention of the auditor during the interim review procedures;
  - any matters outlined in the Interim Audit Standards of the PCAOB shared by the American Institute of Certified Public Accountants ("AICPA"), AU Section 722, Interim Financial Information, as they relate to the interim financial information, as may be modified or supplemented from time to time; and
  - the same schedule of uncorrected misstatements, if any, related to accounts and disclosures as provided to management, and the basis for determining that the uncorrected misstatements were immaterial, including qualitative factors.

19. Review the independence of the independent registered public accounting firm, including a review of management consulting services, and related fees, provided by the independent registered public accounting firm. The Committee shall require that the independent registered public accounting firm at least annually provide a formal written statement (a) describing (i) the independent registered public accounting firm's internal quality-control procedures; and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the independent registered public accounting firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five (5) years, respecting one or more audits carried out by the independent registered public accounting firm, and any steps taken to deal with any such issues; and (b) delineating all relationships between the independent registered public accounting firm and the Company consistent with the rules of the NYSE and request information from the independent registered public accounting firm and management to determine the presence or absence of a conflict of interest. The Committee shall actively engage the independent registered public accounting firm in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent registered public accounting firm. The Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the independent registered public accounting firm. The Committee shall establish clear policies regarding the hiring of employees and former employees of the Company's independent registered public accounting firm.
20. Review and preapprove all audit, review or attest engagements of, and non-audit services to be provided by, the independent registered public accounting firm (other than with respect to the de minimis exception permitted by the Sarbanes-Oxley Act of 2002 and the SEC rules promulgated thereunder). Establish and maintain preapproval policies and procedures relating to the engagement of the independent registered public accounting firm to render services, provided the policies and procedures are detailed as to the particular service and the Committee is informed of each service and such policies and procedures do not include delegation of the Committee's responsibilities under the Securities Exchange Act of 1934 to management. The preapproval duty may be delegated to one or more designated members of the Committee with any such preapproval reported to the Committee at its next regularly scheduled meeting.

*Internal Controls over the Financial Reporting Process*

21. In consultation with the independent registered public accounting firm and the internal auditors, review the integrity of the Company's financial reporting processes (both internal and external), and the internal control structure (including disclosure controls).

22. Review with the independent registered public accounting firm, the internal auditing department, and management the extent to which changes or improvements in financial or accounting practices have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.)

### *Compliance*

23. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
24. Review the findings of any examinations by regulatory agencies, and any auditor observations.
25. Obtain regular reports from management and the Company's legal counsel regarding compliance matters.
26. Review with management the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
27. Review all related party transactions as defined in the NYSE requirements (consistent with the Company's Related Party Transaction Policies and Procedures as approved by the Board of Directors).
28. Establish and maintain procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting, or auditing matters.
29. Establish and maintain procedures for the confidential, anonymous submission by Company employees to the Committee regarding questionable accounting or auditing matters and oversee the administration of such "whistleblower" process including monitoring any reports made to the Committee through such "whistleblower" procedures.

### *Internal Audit*

30. The Company shall have an internal auditing department to the extent required by the listing standards of the NYSE. The Committee shall establish and concur with management on the timing for the establishment of the internal auditing department, if required, as well as the scope and responsibilities of such internal auditing department.

### *Other Responsibilities*

31. To the extent appropriate or necessary, review the rationale for employing audit firms other than the principal independent registered public accounting firm and,

where an additional audit firm has been employed, review the coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of audit resources.

32. Conduct or authorize investigations into any matters within its scope of responsibility.
33. Retain independent legal, accounting, or other advisors as deemed appropriate to perform its duties and responsibilities or to assist in the conduct of an investigation.
34. Seek any information or documents it requires from any employees of the Company.
35. Perform any other activities consistent with this Charter, the Company's Bylaws, as may be amended from time to time, and governing law, as the Committee or the Board deems necessary or appropriate.

#### **IV. Limitation on the Committee's Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the responsibility of the Committee to, and the Committee will not, (a) plan or conduct audits, (b) prepare the Company's financial statements, or (c) determine or certify that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations.