RECOM MANAGED SYSTEMS INC DE/
Form 10QSB
May 07, 2003

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2003

Commission File Number 33-11795

RECOM MANAGED SYSTEMS, INC.
(Exact name of small business issuer as specified in its charter)

Delaware	87-0441351
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer identification No.)

4705 Laurel Canyon Boulevard, Suite 203
Studio City, California 91607
(Address of principal executive offices)

(303) 893-2300
(Registrant's telephone number including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the 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.

[X] Yes [ ] No

As of April 15, 2003, the Registrant had 31,510,848 shares of common stock, $.001 par value, outstanding.

Transitional Small Business Disclosure format: Yes [ ] No [X]

INDEX

RECOM MANAGED SYSTEMS, INC.
(A DEVELOPMENT STAGE COMPANY)
BALANCE SHEET
March 31, 2003
(UNAUDITED)

ASSETS	
CURRENT ASSETS	
Cash	$ -
EQUIPMENT, net of accumulated depreciation of $12,982	149,801
TECHNOLOGY	34,881
TOTAL ASSETS	$ 184,682
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts Payable and Other Liabilities	$ 324,086
Bank overdraft	8,061
Advance from stockholder	150,000
TOTAL LIABILITIES	482,147
STOCKHOLDERS' EQUITY	
Common Stock	10,417
Additional paid-in capital	334,225
Deficit accumulated during development stage	(642,107)
TOTAL STOCKHOLDERS' EQUITY	(297,465)
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$ 184,682

RECOM MANAGED SYSTEMS, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF OPERATIONS
(UNAUDITED)

	Successsor Company	Predecessor Company	Successor Company
	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002	Cumulative for the Period of September 19, 2002 to March 31, 2003
Revenue	-	-	-
Research and Development	27,297	-	27,297
General and Administrative Expenses	455,536	20,353	614,810
Net Loss	$(482,833)	$(20,353)	$(642,107)
Basic and Diluted Loss Per Share	$ (0.05)	**	$ (0.06)
Basic and Diluted Weighted Average Number of Shares Outstanding	10,416,948	1,429,928	10,193,582

** Per share amounts are not meaningful due to reorganization.

RECOM MANAGED SYSTEMS, INC.
(A DEVELOPMENT STAGE COMPANY)
STATEMENT OF CASH FLOWS
(UNAUDITED)

	Successsor Company	Predecessor Company	Successor Company
	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002	Cumulative for the Period September 19, 2002 to March 31, 2003
Cash used in operating activities	$(116,014)	$(28,015)	$(292,891)
Cash Flows from Investing Activities:			
Purchase of equipment and technology	(44,031)	-	(73,072)
Cash Flows from Financing Activities:			
Increase in bank over-draft, net	8,061		8,061
Capital contributed	3,295	20,000	24,695
Issuance of stock	-	-	207,786
Sale of warrants	-	-	125,000
Net cash provided by financing activities	11,356	20,000	365,542
Net increase (decrease) in cash	(148,689)	(8,015)	(421)
Cash at beginning of period	148,689	15,084	421
Cash at end of period	$ -	$ 7,069	$ -

RECOM MANAGED SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company is in the development stage and has a limited operating history since its reorganization. These factors raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments relating to the classification and recoverability of recorded asset amounts or the amount of liabilities that may be incurred should the Company be unable to continue in existence. Continuation as a going concern is dependent on raising additional capital to fund the Company's planned operations. There is no assurance that the necessary funds will be generated.

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial statements pursuant to Regulation S-B. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (including normal recurring accruals considered necessary for a fair presentation) have been included. Operating results for the three months ended March 31, 2003 are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. For further information refer to the financial statements and footnotes included in the Form 10-KSB for the year ended December 31, 2002.

NOTE 2 - ACQUISITION OF TECHNOLOGY

On September 19, 2002, the Company acquired from ARC Finance Group LLC ("ARC"), certain know how, trade secrets and other intellectual property described below in exchange for 7,800,000 shares of the Company's common stock. This technology was valued at $7,800. As a result of this transaction, ARC owned approximately 84.5% of the Company's outstanding shares. This transaction is considered a reverse acquisition and as a capital transaction that results in a capital reorganization. Accordingly, the reorganized Company's assets have been reflected at fair value. In the reorganization, the Predecessor Company's intangible asset, Reorganization Value in Excess of Amount Allocated to Identifiable Assets (in the amount of $76,667) and its accumulated deficit (in the amount of $164,947) were eliminated against Additional Paid-in Capital. There has been no goodwill or intangible assets recognized for this reorganization in the financial statements.

The Company's technology relates to certain proprietary methods, processes and ideas concerning devices and services which, if successfully developed, may be capable of:

* accurately measuring heart functions

* automatically and remotely evaluating these functions over the telephone, the Internet, or other wireless transmission systems

* providing the patient and the patient's physician(s) with vital heart and other data on a real time basis to provide early warnings about the patient's heart functions.

No assurance can be given that commercial products or services will ever result or that those products or services will be accepted by regulatory

agencies, physicians, patients or insurance providers.

NOTE 3 - SUBSEQUENT EVENTS

On April 1, 2003, the Company entered into a common stock purchase agreement with M. Stein, whose spouse is a majority shareholder, pursuant to which Mr. Stein purchased 37,594 shares of the Company's common stock at a price of $6.65 per share for a total consideration of $250,000. The consideration included $100,000 in cash and $150,000 of expenses and capitalized assets which had previously been advanced by Mr. Stein. An advance of $150,000 has been reflected on the March 31, 2003 Balance Sheet for expenses totaling $33,208 and equipment and leasehold improvements totaling $116,792.

On April 1, 2003, the Company issued 49,064 shares of common stock to individuals in exchange for consulting services rendered. The March 31, 2003 financial statements reflect the accrual of $268,500 for these services.

On April 2, 2003, the Board of Directors declared a three-for-one stock split effective as of the close of business on Friday, April 11, 2003.

On April 15, 2003, the Company entered into an investment banking agreement with Brookstreet Securities Corporation which has its offices in Irvine, California. The agreement provides that Brookstreet will provide various investment banking services including advising the Company in connection with financing strategies and assisting the Company with its capital needs including locating potential sources of debt and equity capital and establishing an orderly market for the Company's securities. As compensation for these services Brookstreet is being issued warrants to purchase an aggregate of 200,000 shares of the Company's common stock. The warrants will be issued in 4 tranches of 50,000 each with the first tranch of 50,000 fully vested and exercisable at $1.25 per share. The second tranch will vest in 90 days after the date of the agreement and will have an exercise price of $2.25 per share. The third tranch will vest in 180 days and will have an exercise price of $3.25 per share. The fourth tranch will vest in 270 days and will have an exercise price of $4.25 per share.

ITEM 2. MANAGEMENT'S PLAN OF OPERATION.

FORWARD-LOOKING INFORMATION

This Report on Form 10-QSB contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The statements regarding the Company contained in this report that are not historical in nature, particularly those that utilize terminology such as "may," "will," "should," "likely," "expects," "anticipates," "estimates," "believes" or "plans," or comparable terminology, are forward-looking statements based on current expectations and assumptions, and entail various risks and uncertainties that could cause actual results to differ materially from those expressed in such forward-looking statements. Details about these risks are set forth in the Company's Report on Form 8-K which was filed with the SEC in September 2002.

PLAN OF OPERATION FOR THE NEXT TWELVE MONTHS

The Company intends to proceed with further development and possible commercialization of products or services which embody or otherwise utilize the technology described above in Note 2. We plan to develop a belt that can be used by the patient which will hold the electrodes and electronics. We also plan to initiate the study of alternative algorithms for the analyzing of ECGS. The Company currently has no cash on hand and in order to fund its immediate short-term working capital needs, management is attempting to raise at least $50,000 in either debt or equity financing. Management is also considering a private equity offering to raise up to $5 million to complete the development of its first product and become fully operational. There is no assurance that any of these financing efforts will be successful. In the event the Company is not able to secure financing, many adverse contingencies may result such as downsizing of the Company's facilities and/or personnel, ceasing development efforts and/or operations. Notwithstanding any of these activities, the Company believes it is highly likely that it will not achieve any revenues or earnings during the next twelve months, and for a significant period of time thereafter.

ITEM 3. CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our principal executive officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures within 90 days of the filing date of this quarterly report, and, based upon their evaluation, our principal executive officer and principal financial officer have concluded that these controls and procedures are effective. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Disclosure controls and procedures are our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings.

None.

ITEM 2. Changes in Securities.

None.

ITEM 3. Defaults Upon Senior Securities.

None.

ITEM 4. Submission of Matters to a Vote of Security Holders.

None.

ITEM 5. Other Information.

See Subsequent Event footnote to the financial statements above.

ITEM 6. Exhibits and Reports on Form 8-K.

a. Exhibits.

10.12 Employment Agreement with Charles E. McGill dated March 10, 2003

10.13 Investment Banking Agreement with Brookstreet Securities Corporation dated April 15, 2003

b. Reports on Form 8-K.

None.

SIGNATURES

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

RECOM MANAGED SYSTEMS, INC.

Date: May 6, 2003 By:/s/ Marvin H. Fink
Marvin H. Fink, Chief Executive Officer

Date: May 6, 2003 By:/s/ Charles E. McGill
Charles E. McGill, Chief Financial Officer

CERTIFICATIONS

I, Marvin H. Fink, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Recom Managed Systems, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such

statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: May 6, 2003

/s/ Marvin H. Fink
Marvin H. Fink
President
(Chief Executive Officer)

CERTIFICATIONS

I, Charles E. McGill, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Recom Managed Systems, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: May 6, 2003

/s/ Charles E. McGill
Charles E. McGill
(Chief Financial Officer)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER OF
RECOM MANAGED SYSTEMS, INC.
PURSUANT TO 18 U.S.C. SECTION 1350

We certify that, to the best of our knowledge, the Quarterly Report on Form 10-QSB of Recom Managed Systems, Inc. for the period ending March 31, 2003:

(1) complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material aspects, the financial condition and results of operations of Recom Managed Systems, Inc.

/s/ Marvin H. Fink	/s/ Charles E. McGill
Marvin H. Fink	Charles E. McGill
Chief Executive Officer	Chief Financial Officer

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RIHI (6)

—

*

12,559,600

41.36%

1

100.00%

41.36%

BlackRock, Inc. (7)

2,705,898

15.19%

—

*

—

*

8.91%

The Vanguard Group (8)

1,906,792

10.71%

—

*

—

*

6.28%

Kayne Anderson Rudnick Investment Management LLC (9)

1,781,679

10.00%

—

*

—

*

5.87%

Van Berkom & Associates Inc. (10)

1,765,329

9.91%

—

*

—

*

5.81%

Burgundy Asset Management Ltd. (11)

1,659,329

9.32%

—

*

—

*

5.46%

Renaissance Technologies LLC (12)

1,202,000

6.75%

—

*

—

*

3.96%

* Less than 1%

29

Table of Contents

(1) RIHI, as holder of Class B common stock, is entitled to, without regard to the number of shares of Class B common stock held, a number of votes on matters presented to stockholders of RE/MAX Holdings that is equal to the aggregate number of common units of RMCO that such stockholder holds.

(2) Includes common units in RMCO held by RIHI which may be redeemed at RIHI's election for, at our option, shares of Class A common stock of RE/MAX Holdings on a one-for-one basis (subject to customary adjustments, including conversion rate adjustments, underwriting discounts, commissions, and adjustments for stock splits, stock dividends and reclassifications) or cash. Mr. and Mrs. Liniger have dispositive, voting, and investment control over such common units in RMCO.

(3) Shares are owned by the Richard O. Covey living trust.

(4) Information for Mr. Lewis is as of June 30, 2018, the last day of his employment with the Company.

(5) Does not include shares held by Mr. Lewis because he is no longer an executive officer.

(6) Includes common units in RMCO which may be redeemed at RIHI's election for, at our option, shares of Class A common stock of RE/MAX Holdings on a one-for-one basis (subject to customary adjustments, including conversion rate adjustments, underwriting discounts, commissions, and adjustments for stock splits, stock dividends, and reclassifications) or cash. RIHI is majority owned and controlled by David Liniger, our Chair, and Co-Founder and Gail Liniger, our Vice Chair and Co-Founder. As such, Mr. and Mrs. Liniger have dispositive, voting, and investment control over the common units held by RIHI.

(7) Based solely on a Schedule 13G/A filed by BlackRock, Inc. ("BlackRock") on January 31, 2019. BlackRock reported sole voting power with respect to 2,644,973 shares and sole dispositive power with respect to 2,705,898 shares. In such filing, BlackRock lists its address as 55 East 52nd Street, New York, NY 10055.

(8) Based solely on a Schedule 13G filed by The Vanguard Group ("Vanguard") on February 12, 2019. Vanguard reported sole voting power with respect to 17,677 shares, shared voting power with respect to 1,411 shares, sole dispositive power with respect to 1,889,655 shares, and shared dispositive power with respect to 17,137 shares. In such filing, Vanguard lists its address as 100 Vanguard Blvd., Malvern PA 19355.

(9) Based solely on a Schedule 13G filed by Kayne Anderson Rudnick Investment Management LLC ("Kayne Anderson") on February 11, 2019. Kayne Anderson reported sole voting power and sole dispositive power with respect to 1,281,799 shares, shared voting power and shared dispositive power with respect to 499,880. In such filing, Kayne Anderson lists its address as 1800 Avenue of the Stars, 2nd Floor, Los Angeles, CA 90067.

(10) Based solely on a Schedule 13G filed by Van Berkom & Associates Inc. ("VB") on February 11, 2019. VB reported sole voting and sole dispositive power with respect to all shares reported. In such filing, VB lists its address as 1130 Sherbrooke Street West, Suite 1005, Montreal, Quebec H3A 2M8, Canada. VB disclaims beneficial ownership of the shares reported, except to the extent of its pecuniary interest therein.

(11) Based solely on a Schedule 13G/A filed on February 13, 2019 by Burgundy Asset Management Ltd. ("Burgundy"). Burgundy reported sole voting power with respect to 1,183,844 shares and sole dispositive power with respect to 1,659,329 shares. In such filing, Burgundy lists its address as 181 Bay St., Suite 4510, Toronto, Ontario M5J 2T3, Canada.

(12) Based solely on a Schedule 13G filed by Renaissance Technologies, LLC ("Renaissance") on February 12, 2019. Renaissance reported sole voting power with respect to 1,083,300 shares, sole dispositive power with respect to

1,130,330 shares, and shared dispositive power with respect to 71,670 shares. In such filing, Renaissance lists its address as 800 Third Avenue, New York, New York 10022.

SECTION 16 BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors, executive officers, and persons who beneficially own more than 10% of the Company's common stock, to file reports of beneficial ownership and reports of changes in beneficial ownership with the SEC. Such persons are required by SEC regulations to furnish the Company with copies of all Section 16(a) reports that they file. We assist our directors and officers with their Section 16(a) filings. Based solely on a review of reports filed with the SEC and written representations from directors and executive officers, we believe that all required reports under Section 16(a) were timely filed during 2018.

Table of Contents

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

We describe below the transactions and series of similar transactions, during 2018, to which we were a participant or will be a participant, in which:

the amounts involved exceeded or will exceed $120,000 and

any of our directors, executive officers, holders of more than 5% of our capital stock (which we refer to as 5% stockholders), or any member of their immediate family had or will have a direct or indirect material interest, other than compensation arrangements with directors and executive officers, which are described where required in the Compensation Disclosure and Analysis, the compensation tables above, and under the section titled “Director Compensation.”

Registration Rights Agreement

We entered into a registration rights agreement with RIHI in connection with our IPO. The registration rights agreement provides RIHI certain registration rights whereby, at any time following our IPO and the expiration of any related lock-up period, it can require us to register, under the Securities Act of 1933, shares owned by it and not sold in our IPO. The registration rights agreement also provides for piggyback registration rights for all stockholders that are parties to the agreement.

Tax Receivable Agreements

In connection with our IPO, we entered into certain transactions which are expected to have the effect of reducing the amounts that we would otherwise pay in the future to various tax authorities as a result of increasing our share of tax basis in RMCO’s tangible and intangible assets. In connection with these transactions, we entered into a separate tax receivable agreement with each of RMCO’s two pre-IPO owners, including RIHI. These agreements provide for the payment by us to the counterparties to the agreements of 85% of the amount of cash savings, if any, in U.S. federal, state, and local income tax or franchise tax that we actually realize, or in some circumstances are deemed to realize, as a result of an expected increase in our share of tax basis in RMCO’s tangible and intangible assets, including increases attributable to payments made under the tax receivable agreements, and deductions attributable to imputed and actual interest that accrues in respect of such payments. These tax benefit payments are not conditioned upon one or more of the pre-IPO owners maintaining a continued ownership interest in either RMCO or RE/MAX Holdings. We expect to benefit from the remaining 15% of cash savings, if any, that we may actually realize. The substantive provisions of the separate tax receivable agreements that we entered into with each of RMCO’s pre-IPO owners are substantially identical.

For purposes of the tax receivable agreements, cash savings in income and franchise tax are computed by comparing our actual income and franchise tax liability to the amount of such taxes that we would have been required to pay had there been no increase in our share of tax basis in RMCO’s tangible and intangible assets and had the tax receivable agreements not been entered into. The tax receivable agreements generally apply to each of our taxable years and began with the first taxable year ending after the consummation of the IPO. There is no maximum term for the tax receivable agreements; however, the tax receivable agreements may be terminated by us pursuant to an early termination procedure that requires us to pay the counterparties an agreed upon amount equal to the estimated present value of the remaining payments to be made under the agreement.

The actual timing and amount of any payments that may be made under the tax receivable agreements will vary depending upon a number of facts and circumstances that are beyond our control (including the timing and amount of any redemption of common units by RIHI, the trading price of our shares of Class A common stock at the time of any

such redemptions, the impact of foreign taxes, and the amount and timing of our taxable income and the applicable tax rate). However, the payments that we may be required to make to the counterparties could be substantial. Any payments made by us to the counterparties to the tax receivable agreements will generally reduce the amount of overall cash flow that might have otherwise been available to us or to RMCO and, to the extent that we are unable to make payments under the tax receivable agreements for any reason, the unpaid amounts will be deferred and will accrue interest until paid by us.

The tax receivable agreements provide that if certain mergers, asset sales, other forms of business combination, or other changes of control were to occur, or that if, at any time, we elect an early termination of the tax receivable agreements, then our obligations, or our successor's obligations, under the tax receivable agreements would be based on certain assumptions, including an assumption that we would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to the tax receivable agreements.

Table of Contents

As a result, (i) we could be required to make cash payments to the counterparties that are greater than the specified percentage of the actual benefits we ultimately realize, and (ii) if we elect to terminate the tax receivable agreements early, we would be required to make an immediate cash payment equal to the present value of the anticipated future tax benefits that are the subject of the tax receivable agreements, which payment may be made significantly in advance of the actual realization, if any, of such future tax benefits.

The tax receivable agreements provide that we may, at our option, make one or more estimated payments to the counterparties in respect of any anticipated payments required under the tax receivable agreements. Any estimated payments made under the terms of the tax receivable agreements are subject to adjustment pending a final determination of the actual payments required under the tax receivable agreements.

We will also not be reimbursed for any cash payments previously made to the counterparties to the tax receivable agreements if any tax benefits initially claimed by us are subsequently challenged by a taxing authority and are ultimately disallowed. Instead, any excess cash payments made by us to a counterparty will be netted against any future cash payments that we might otherwise be required to make under the terms of the tax receivable agreements. However, we might not determine that we have effectively made an excess cash payment to the counterparties for a number of years following the initial time of such payment. As a result, it is possible that we could make cash payments under the tax receivable agreements that are substantially greater than our actual cash tax savings. Although we are not currently aware of any reason why any tax basis increases or other tax benefits would be challenged by a taxing authority, if we determine that any tax basis increases or other tax benefits may be subjected to a reasonable challenge or are being challenged by a taxing authority, we may withhold some or all of the payments otherwise due to the counterparties under the tax receivable agreements in an interest-bearing escrow account until such a challenge is no longer possible or is otherwise resolved.

We will have full responsibility for, and sole discretion over, all RE/MAX Holdings tax matters, including the filing and amendment of all tax returns and claims for refund and defense of all tax contests, subject to certain participation rights held by the counterparties.

Payments are generally due under the tax receivable agreements within a specified period of time following the filing of our tax return for the taxable year with respect to which the payment obligation arises, although interest on such payments will begin to accrue at a rate of LIBOR plus 100 basis points from the due date (without extensions) of such tax return. Any late payments that may be made under the tax receivable agreements will continue to accrue interest at LIBOR plus 300 basis points until such payments are made, including any late payments that we may subsequently make because we did not have enough available cash to satisfy our payment obligations at the time at which they originally arose.

We entered into the tax receivable agreements on October 7, 2013. During 2018, we made payments under the tax receivable agreement with RIHI of approximately $6.3 million.

RMCO Operating Agreement

In connection with our IPO, RE/MAX Holdings, RIHI and RMCO entered into RMCO’s fourth amended and restated limited liability company agreement (the “RMCO Agreement”).

Appointment as Manager. Under the restated RMCO Agreement, we are a member and the sole manager of RMCO. As the sole manager, we control all of the day-to-day business affairs and decision-making of RMCO without the approval of any other member. As such, we, through our officers and directors, are responsible for all operational and administrative decisions of RMCO and the day-to-day management of RMCO’s business. Pursuant to the terms of the RMCO Agreement, we also cannot, under any circumstances, be removed as the sole manager of RMCO. Except as

necessary to avoid being classified as an investment company or with the approval of RIHI, as long as we are the sole manager of RMCO, our business is limited to owning and dealing with our common units of RMCO, managing the business of RMCO, and fulfilling our obligations under the Exchange Act, and activities incidental to the foregoing.

Compensation. We are not entitled to compensation for our services as manager except as provided in the management services agreement described below under “Management Services Agreement,” or as otherwise approved by a vote of the members holding a majority of the outstanding common units. We are entitled to reimbursement by RMCO pursuant to the management services agreement for our reasonable out-of-pocket expenses incurred on its behalf.

Distributions. The RMCO Agreement requires “tax distributions” to be made by RMCO to its members, as that term is defined in the agreement. Tax distributions will be made pro rata on a quarterly basis to each member of RMCO, including us, such that each member will receive a tax distribution that is proportionate to its percentage interest in RMCO (based on the number of

Table of Contents

common units in RMCO that it holds relative to the total number of outstanding common units of RMCO) and that is sufficient to satisfy its tax liability based on such member's allocable share of the taxable income of RMCO and an assumed tax rate that will be determined by us. For this purpose, the taxable income of RMCO, and RE/MAX Holdings' allocable share of such taxable income, shall be determined without regard to any current or future amortization deductions attributable to (i) tax basis adjustments that RE/MAX Holdings may receive under Section 743(b) of the Code and (ii) RE/MAX Holdings' proportionate share of RMCO's existing tax basis in previously acquired assets that result, in each case, from RE/MAX Holdings' deemed or actual purchase of an equity interest in RMCO from our pre-IPO owners (as described above under "Tax Receivable Agreements"). The assumed tax rate that we expect to use for purposes of determining tax distributions from RMCO to its members will approximate our reasonable estimate of the highest combined federal, state (based on the highest individual tax rate in the state of Colorado), and local tax rate that may potentially apply to any one of RMCO's members, regardless of the actual final tax liability of any such member. Tax distributions will also be made only to the extent all distributions from RMCO for the relevant period were otherwise insufficient to enable each member to cover its tax liabilities as calculated in the manner described above. The RMCO Agreement also allows for distributions to be made by RMCO to its members out of "distributable cash," as that term is defined in the agreement. We expect that distributions out of distributable cash will be made pro rata on a quarterly basis to the extent necessary to enable RE/MAX Holdings to cover its operating expenses and other obligations, including any obligations that RE/MAX Holdings may have under the tax receivable agreements that it entered into with RMCO's pre-IPO owners (as described above under "Tax Receivable Agreements"), and to make anticipated dividend payments to the holders of its Class A common stock.

Transfer Restrictions. The RMCO Agreement generally restricts transfers of common units of RMCO, subject to limited exceptions. Any transferee of common units must assume, by operation of law or written agreement, all of the obligations of a transferring member with respect to the transferred units, even if the transferee is not admitted as a member of RMCO.

Common Unit Redemption Right. The RMCO Agreement provides a redemption right to RIHI which entitles RIHI to have its common units of RMCO redeemed for our shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including conversion rate adjustments, underwriting discounts, commissions, and adjustments for stock splits, stock dividends, and reclassifications), or at our option, a cash payment equal to the market price of one share of our common stock. If we decide to make a cash payment, RIHI has the option to rescind its redemption request within a specified time period. If we decide to make a cash payment and RIHI has not rescinded, we are obligated to sell to a third party a number of shares of our Class A common stock equal to the number of redeemed common units, so as to ensure that the number of common units in RMCO that we own will equal the number of our outstanding shares of Class A common stock. Upon the exercise of its redemption right, RIHI will surrender common units to RMCO for cancellation. Pursuant to our amended and restated certificate of incorporation, we will then contribute cash or shares of our Class A common stock to RMCO in exchange for an amount of newly issued common units in RMCO equal to the number of common units redeemed by RIHI. RMCO will then distribute the cash or shares of our Class A common stock to RIHI to complete the redemption. In connection with RIHI's exercise of its redemption right, RE/MAX Holdings may also, in its sole discretion, elect to acquire RIHI's common units in RMCO from RIHI. In the event of such an election, and as an alternative to RIHI engaging in a redemption transaction with RMCO, RE/MAX Holdings would instead directly acquire RIHI's common units in RMCO on the same terms as if RIHI had engaged in a redemption transaction with RMCO as previously described above.

Issuance of Common Units Upon Exercise of Options or Issuance of Other Equity Compensation. Upon the exercise of options we have issued or the issuance of other types of equity compensation (such as the issuance of restricted or non-restricted stock, payment of bonuses in stock or settlement of stock appreciation rights in stock), we have the right to acquire from RMCO a number of common units equal to the number of our shares of Class A common stock being issued in connection with the exercise of options or issuance of other types of equity compensation. We will contribute to RMCO the amount of any consideration we receive for the exercise of options or for shares issued

pursuant to other types of equity compensation.

Dissolution. The RMCO Agreement provides that the unanimous consent of all members holding common units will be required to voluntarily dissolve RMCO. In addition to a voluntary dissolution, RMCO will be dissolved upon the entry of a decree of judicial dissolution in accordance with Delaware law. Upon a dissolution event, the proceeds of a liquidation will be distributed in the following order: (i) first, to pay the expenses of winding up RMCO; (ii) second, to pay debts and liabilities owed to creditors of RMCO; and (iii) third, to the members pro rata in accordance with their respective percentage ownership interests in RMCO (as determined based on the number of common units held by a member relative to the aggregate number of all outstanding common units).

Confidentiality. Each member agrees to maintain the confidentiality of RMCO’s intellectual property and other confidential information.

Table of Contents

Indemnification. The RMCO Agreement provides for indemnification of the manager, members and officers of RMCO and their respective subsidiaries or affiliates.

Management Services Agreement

In connection with our IPO, we entered into a management services agreement with RMCO pursuant to which we provide certain management services to RMCO. In exchange for the services we provide, RMCO reimburses us for compensation and other expenses of our officers and employees and for certain out-of-pocket costs. RMCO also provides administrative and support services to us, such as office facilities, equipment, supplies, payroll, and accounting and financial reporting. The management services agreement also provides that our employees may participate in RMCO's benefit plans, and that RMCO employees may participate in our 2013 Omnibus Incentive Plan. RMCO will indemnify us for any losses arising from our performance under the management services agreement, except that we will indemnify RMCO for any losses caused by our willful misconduct or gross negligence.

Sanctuary Golf Course

Sanctuary, Inc. ("Sanctuary") is a company owned by Dave and Gail Liniger that owns and manages Sanctuary, a private golf course located near Denver, Colorado. We pay Sanctuary for corporate meeting and events held at Sanctuary and for catering services. During 2018 the Company paid Sanctuary approximately $150,000.

Executive Compensation, Employment Arrangements, Retirement Agreement, and Separation Agreement

Please see "Compensation Disclosure and Analysis," "Compensation Tables," and "Employment Agreements and Separation Agreements" for information on compensation arrangements with our executive officers, agreements with our executive officers containing compensation and termination provisions, among others, and the Separation Agreement with our former President.

Director and Officer Indemnification and Insurance

We have entered into indemnification agreements with certain of our directors and executive officers, and purchased directors' and officers' liability insurance. The indemnification agreements and our amended and restated certificate of incorporation and bylaws require us to indemnify our directors and officers to the fullest extent permitted by Delaware law.

Policies and Procedures Regarding Related Party Transactions

We have adopted a written policy with respect to related party transactions. Under this policy, a "Related Party Transaction" is any financial transaction, arrangement or relationship (or series of similar transactions, arrangements, or relationships) in which we are or any of our subsidiaries is a participant and in which a Related Party has or will have a direct or indirect interest, other than any transactions, arrangements or relationships in which the aggregate amount involved will not or may not be expected to exceed $120,000 in any calendar year, subject to certain exceptions. A "Related Party" is any of our executive officers, directors or director nominees, any stockholder directly or indirectly beneficially owning in excess of 5% of our stock or securities exchangeable for our stock, or any immediate family member of any of the foregoing persons.

Pursuant to our related party transaction policies and procedures, any Related Party Transaction must be reviewed by the Audit Committee. In connection with its review of a Related Party Transaction, the Audit Committee may take into account, among other factors it deems appropriate, whether the Related Party Transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances and the

extent of the related party's interest in the Related Party Transaction.

Table of Contents

PROPOSAL 1: ELECTION OF DIRECTORS

At the Annual Meeting, stockholders will vote to elect the three nominees named in this Proxy Statement as Class III directors. Each of the Class III directors elected at the Annual Meeting will hold office until the 2022 Annual Meeting of Stockholders and until his or her successor has been duly elected and qualified. Based on the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors has nominated David Liniger, Daniel Predovich, and Teresa Van De Bogart to serve as Class III directors for terms expiring at the 2022 Annual Meeting of Stockholders. Richard Covey currently serves as a Class III director but this will be his final term on the Board, with his service ending at the Annual Meeting.

In the event that any nominee for Class III director becomes unavailable or declines to serve as a director at the time of the Annual Meeting, the persons named as proxies will vote the proxies in their discretion for any nominee who is designated by the current Board of Directors to fill the vacancy. All of the nominees currently serve as directors and we do not expect that any of them will be unavailable or will decline to serve.

RECOMMENDATION OF THE BOARD: The Board of Directors recommends that you vote FOR each of the nominees for the Board of Directors in this Proposal 1.

Table of Contents

PROPOSAL 2: RATIFICATION OF INDEPENDENT AUDITOR

Our Audit Committee has appointed KPMG as our independent auditor for the fiscal year ending December 31, 2019. Although stockholder ratification of the appointment of KPMG is not required by law, we are submitting the appointment to our stockholders for ratification as a matter of good corporate governance. The ratification of the appointment of KPMG requires the affirmative vote of a majority of the votes cast at the Annual Meeting. If stockholders do not ratify the appointment of KPMG, the Audit Committee will reconsider the appointment. Even if stockholders ratify the appointment of KPMG, the Audit Committee retains the discretion to appoint a different independent auditor at any time if it determines that such a change would be in the best interests of the Company and its stockholders.

Representatives of KPMG are expected to attend the Annual Meeting and will have an opportunity to make a statement if they desire to do so.

RECOMMENDATION OF THE BOARD: The Board of Directors recommends that you vote FOR the ratification of KPMG as our independent auditor for the fiscal year ending December 31, 2019.

KPMG Fees

The following table presents aggregate fees billed to the Company for services rendered by KPMG during the fiscal years ended December 31, 2018 and 2017.

	2018	2017
Audit fees (1)	$ 1,270,458	$ 1,600,924
Audit-related fees (2)	111,657	126,033
Tax fees (3)	795,693	861,914
Total	$ 2,177,808	$ 2,588,871

(1) Audit fees include fees for the audit of our 2018 and 2017 consolidated financial statements (including the audits required of internal control over financial reporting). For 2018 and 2017 this includes subsidiary company audits and issuance of consents required by statute or regulation and similar matters. For 2017 this also includes $308,937 in fees related to review of the work of the special committee.

(2) Audit-related fees include fees billed for audit-related services related to professional consultations with respect to accounting issues and the Company’s 2018 and 2017 acquisitions.

(3) Tax fees include fees billed in the respective periods for tax compliance services and consultations regarding the tax implications of certain transactions, as shown in the table below. Tax fees related to the tax receivable agreements consist of fees incurred due to ongoing maintenance requirements of the Company’s tax receivable agreements, which include preparing an advisory firm letter, reviewing the related tax basis and tax benefit schedules and the facts, assumptions, and methodologies used in calculating the payments due pursuant to the tax receivable agreements as well as consulting related to the tax receivable agreements. Other tax fees in 2018 include tax fees incurred in connection with the acquisition of booj ($42,709) and tax fees related to the Tax Cuts and Jobs Act’s impact on our foreign operations ($99,986).

	2018	2017
Tax compliance fees	$ 472,338	$ 483,115
Tax consulting fees	48,781	65,005
Tax fees related to the tax receivable agreements	131,879	258,554
Other tax fees	142,695	55,240
Total	$ 795,693	$ 861,914

Table of Contents

AUDIT COMMITTEE REPORT

The following is the report of the Audit Committee with respect to the Company's audited financial statements as of and for the year ended December 31, 2018. The information contained in this report shall not be deemed "soliciting material" or otherwise considered "filed" with the SEC, and such information shall not be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates such information by reference in such filing.

The Audit Committee makes the following report to the Board of Directors:

The Audit Committee consists of the following members of the Board: Kathleen Cunningham (Chair), Joseph DeSplinter, Ronald Harrison, and Teresa Van De Bogart. Each of the members is independent and financially literate as defined under the applicable NYSE rules. Ms. Cunningham and Mr. DeSplinter have been designated as audit committee financial experts under Item 407(d)(5) of Regulation S-K.

The Audit Committee is responsible primarily for assisting the Board in fulfilling its oversight responsibility of reviewing the financial information that will be provided to stockholders and others, appointing the independent registered public accounting firm, reviewing the services performed by the Company's independent registered public accounting firm and internal audit department, evaluating the Company's accounting policies, reviewing the integrity of the Company's financial reporting process and the Company's internal control structure that management and the Board have established, reviewing significant financial transactions, earnings press releases, and earnings guidance. In addition, the Audit Committee regularly oversees and reviews the status of cybersecurity risks. Management of the Company is responsible for the preparation and presentation of the Company's financial statements, the effectiveness of internal control over financial reporting, and procedures that are reasonably designed to assure compliance with accounting standards and applicable laws and regulations. The Company's independent registered public accounting firm, KPMG, is responsible for performing an independent audit of the consolidated financial statements and the effectiveness of the Company's internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States) (the "PCAOB"). The Audit Committee does not itself prepare financial statements or perform audits, and its members are not auditors or certifiers of the Company's financial statements or disclosures.

In fulfilling its responsibility of appointment, compensation, and oversight of the services performed by the Company's independent registered public accounting firm, the Audit Committee regularly meets separately with the independent auditors and carefully reviews the responsibilities and procedures for the engagement of the independent registered public accounting firm, including the scope of the audit, overall audit strategy and timing, the significant risks identified by the independent registered public accounting firm, audit fees, auditor independence matters, and the extent to which the independent registered public accounting firm is retained to perform non-audit related services. To ensure that the appointment of the independent registered public accounting firm is in the best interests of the Company and its stockholders, the Audit Committee annually considers the independent auditor's qualifications, independence, audit approach, work quality, and significant legal or regulatory proceedings related to the firm, along with the impact of changing auditors. In 2016, the Company's independent registered public accounting firm, in consultation with the Audit Committee, selected a new lead audit engagement partner. The lead engagement partner rotates no less frequently than every five years. KPMG has served as the Company's independent registered public accounting firm since 2003.

The Audit Committee has established an auditor independence policy and reviews and approves this policy on an annual basis. This policy mandates that the Audit Committee approve the audit and non-audit services and related budget in advance, unless pre-approval is waived pursuant to Rule 2-01(c)(7)(i)(C) of Regulation S-X. This policy also mandates that the Company may not enter into auditor engagements for non-audit services without the Audit

Committee's express approval. Pursuant to this policy, the Audit Committee has delegated authority to pre-approve services with fees up to $100,000 to the Audit Committee Chair, with such pre-approval subject to ratification by the Audit Committee at its next regularly scheduled meeting. In accordance with this policy, all services performed by KPMG have been pre-approved by the Audit Committee in 2018 and 2017.

The Audit Committee has reviewed and discussed the audited financial statements as of and for the year ended December 31, 2018 with the Company's management and KPMG. The Audit Committee has also discussed with KPMG the matters required to be discussed by Auditing Standard No. 1301, as amended "Communications with Audit Committees," as adopted by the PCAOB.

The Audit Committee also has received and reviewed the written disclosures and the letter from KPMG required by applicable requirements of the PCAOB regarding KPMG's communications with the Audit Committee concerning independence, and has discussed with KPMG its independence from the Company. The Audit Committee has also considered whether KPMG's performance of non-audit services is compatible with maintaining KPMG's independence and believes that the services provided by KPMG for the fiscal years 2018 and 2017 were compatible with, and did not impair, KPMG's independence.

Table of Contents

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the financial statements referred to above be included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

Audit Committee

Kathleen J. Cunningham (Chair)

Joseph A. DeSplinter

Ronald E. Harrison

Teresa S. Van De Bogart

Table of Contents

INFORMATION REGARDING STOCKHOLDER PROPOSALS

Stockholder proposals intended to be presented at the 2020 Annual Meeting of Stockholders (the "2020 Meeting"), pursuant to Exchange Act Rule 14a-8 must be delivered to the Corporate Secretary at our principal executive offices no later than December 13, 2019 in order to be included in our proxy materials for that meeting. Such proposals must also comply with all applicable provisions of Exchange Act Rule 14a-8.

Stockholder proposals submitted for consideration at the 2020 Meeting but not submitted for inclusion in our proxy materials pursuant to Exchange Act Rule 14a-8, including nominations for candidates for election as directors, must be delivered to the Corporate Secretary at our principal executive offices not less than 90 days or more than 120 days before the first anniversary of the date on which we first mailed these Proxy Materials. However, if the 2020 Meeting occurs more than 30 days before or after May 22, 2020, then, to be timely, proposals must be delivered by the later to occur of (i) the 90th day prior to the 2020 Meeting or (ii) the 10th day following the first public announcement of the date of the 2020 Meeting. Assuming the 2020 Meeting is held within 30 days before or after May 22, 2020, then stockholder proposals must be received no earlier than December 13, 2019 and no later than January 13, 2020. Stockholder proposals must include the specified information concerning the stockholder and the proposal or nominee as set forth in our bylaws.

Nominations for candidates for Board membership should contain the following information:

the candidate's name, age, business address, and home address;

the candidate's biographical information, including educational information, principal occupation or employment, past work experience (including all positions held within the past five years), personal references, and service on boards of directors or other positions the candidate currently holds or has held during the past three years;

the class and number of shares of the Company the candidate beneficially owns;

any potential conflicts of interest that may prevent or otherwise limit the candidate from serving as an effective Board member;

any other pertinent information about the candidate and his or her qualifications;

the name and record address of the stockholder making the recommendation; and

the class and number of shares of the Company beneficially owned by the stockholder making the recommendation and the period of time the shares have been held.

Stockholder nominations should be submitted to the Company's Corporate Secretary at the Company's headquarters. Stockholder nominations may be made at any time. However, in order for a candidate to be included in the slate of director nominees for approval by stockholders in connection with a meeting of stockholders and for information about the candidate to be included in the Company's proxy materials for such a meeting, the stockholder must submit the information set forth above and other information reasonably requested by the Company within the timeframe set forth above.

39

Table of Contents

VOTE BY INTERNET Before The Meeting - Go to www.proxyvote.com Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form. RE/MAX HOLDINGS, INC. C/O BROADRIDGE P.O. BOX 1342 BRENTWOOD, NY 11717 During The Meeting - Go to www.virtualshareholdermeeting.com/RMAX2019 You may attend the Meeting via the Internet and vote during the Meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions. VOTE BY PHONE - 1-800-690-6903 Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions. VOTE BY MAIL Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: E73583-P22523 KEEP THIS PORTION FOR YOUR RECORDS DETACH AND RETURN THIS PORTION ONLY THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED. RE/MAX HOLDINGS, INC. The Board of Directors recommends you vote FOR the following: For Withhold For All AllAllExcept To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below. ! !! 1. Election of Directors Nominees: 01) 02) 03) David Liniger Daniel Predovich Teresa Van De Bogart The Board of Directors recommends you vote FOR the following proposal: For Against Abstain ! ! ! 2. Ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019. Please sign your name exactly as it appears hereon. When signing as attorney, executor, administrator, trustee or guardian, please add your title as such. When signing as joint tenants, all parties in the joint tenancy must sign. If a signer is a corporation, please sign in full corporate name by duly authorized officer. Signature [PLEASE SIGN WITHIN BOX] Date Signature (Joint Owners) Date

Table of Contents

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice and Proxy Statement and Annual Report on Form 10-K are available at www.proxyvote.com. E73584-P22523 RE/MAX HOLDINGS, INC. Annual Meeting of Stockholders May 22, 2019 3:00 p.m. This proxy is solicited by the Board of Directors This proxy is solicited by the Board of Directors for the Annual Meeting of Stockholders to be held on May 22, 2019. The undersigned, revoking all prior proxies, hereby appoints Adam Contos, Karri Callahan and Adam Scoville, and any of them, each with full power of substitution, as proxies to represent the undersigned and vote all shares of Class A or Class B Common Stock of RE/MAX Holdings, Inc. (the "Company") which the undersigned would be entitled to vote if personally present at the Company's Annual Meeting of Stockholders to be held online at www.virtualshareholdermeeting.com/RMAX2019 on May 22, 2019 at 3:00 p.m. (Mountain time) and at any adjournments or postponements thereof. When properly executed, this proxy will be voted as directed. If no direction is indicated, this proxy will be voted "FOR" each director nominee in Proposal 1 and "FOR" Proposal 2. In their discretion, the proxies are authorized to vote on such other business as may properly come before the meeting. Continued and to be signed on reverse side