

FRANCHISE DISCLOSURE DOCUMENT



Christie's International Real Estate, LLC
A Delaware Limited Liability Company
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Christie's International Real Estate, LLC offers a franchise for the opportunity to develop a full service CHRISTIE'S INTERNATIONAL REAL ESTATE residential real estate brokerage Business.

The total investment necessary to begin operation of a CHRISTIE'S INTERNATIONAL REAL ESTATE Business is \$64,475 to \$443,125. This includes \$42,625 to \$50,125 that must be paid to the franchisor or its affiliate(s).

This disclosure document summarizes certain provisions of your License Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Gavin Swartzman, 806 N. Peoria St., Chicago, IL 60642; (312) 254-0200.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance date: April 30, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits E and F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit H includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets
Will my business be the only CHRISTIE'S INTERNATIONAL REAL ESTATE business in the area?	Item 12 and the "territory" provisions in the License Agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a CHRISTIE'S INTERNATIONAL REAL ESTATE franchisee?	Item 20 or Exhibits E and F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The License Agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The License Agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the License Agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your License Agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The License Agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit B.

Your state also may have laws that require special disclosures or amendments be made to your License Agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The License Agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Illinois. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate and/or litigate with the franchisor in Illinois than in your own state.

2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

**MICHIGAN ADDENDUM
TO THE DISCLOSURE DOCUMENT**

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a License Agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the License Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the Business are not subject to compensation. This subsection applies only if:
 - (i) The term of the franchise is less than 5 years and
 - (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logo type, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards;
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor;
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations;

- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the License Agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the License Agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligation to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.

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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify this Franchise Disclosure Document, the terms “we,” “us,” and “our” refer to Christie’s International Real Estate, LLC, the “Franchisor” or “Licensor.” The terms “you” and “your” refer to the person or entity, or “Affiliate,” that buys this “franchise” or “license,” including any guarantors.

Franchisor

We are a Delaware limited liability company. We incorporated on June 2, 1995, and we converted from a corporation to a limited liability company on December 1, 2021. Our principal business address is 806 N. Peoria St., Chicago, IL 60642. We do business as “Christie’s International Real Estate.” Between 2011 and December 2021, we went by the name Christie’s International Real Estate, Inc. Prior to 2011, we went by the name Christie’s Great Estates Inc. Exhibit B contains our agents for service of process.

We offer franchises for the right to operate a full-service residential real estate brokerage business using the Marks, including CHRISTIE’S INTERNATIONAL REAL ESTATE, pursuant to a Broker Affiliate License Agreement (the “Business”). We began offering these CHRISTIE’S INTERNATIONAL REAL ESTATE franchises in March 2022. We have not offered franchises in any other line of business. We have never operated a Business.

Predecessor, Parents & Affiliates

Our direct parent is At World Properties, LLC, an Illinois limited liability company formed on March 17, 2000, with a principal business address at 806 N. Peoria St., Chicago, IL 60642 (“Parent”). Parent is a real estate brokerage that offers brokerage services to real estate buyers and sellers and relocation services to companies and other institutions. Except for relocation services that may be provided to you under a separate addendum to the License Agreement, Parent neither offers products or services to Affiliates nor offers franchises in any line of business. Parent acquired control of us in December 2021.

Parent is owned by Compass, Inc. (“Compass”), a Delaware corporation and a real estate brokerage firm with a principal business address at 110 Fifth Avenue, 4th Floor, New York, New York 10011. Compass directly and through certain subsidiaries and affiliates (some of which previously offered franchises), is a residential real estate brokerage firm operating in over 95 markets in the United States with over 400 offices and over 33,000 affiliated agents. These Compass businesses and affiliated agents operate under the names and marks “COMPASS,” “URBAN COMPASS,” “WASHINGTON FINE PROPERTIES,” and “LATTER AND BLUM” (collectively, referred to as “Compass Brokerage”). Compass does not grant franchises under the Compass brand, but its affiliated agents may operate and offer and sell real estate, including soliciting and accepting clients and listings to buy and sell real estate, throughout the United States (subject to state and local real estate licensing laws), and this may include within the geographic area where you operate. Compass is our guarantor and its financial statements are disclosed in Item 21 and attached to this FDD.

Our affiliate, Anywhere Real Estate, Inc., a Delaware limited liability company with its principal business address at 175 Park Avenue, Madison, New Jersey 07940 (“Anywhere”). Anywhere is direct wholly owned subsidiary of Compass and is the indirect parent of Anywhere Advisors LLC, which was originally formed as a Delaware corporation on August 29, 1997, and converted to a Delaware limited liability company on July 2, 2007 and changed its name from NRT to RBG on February 17, 2020, then changed its name from RBG to Anywhere Advisors LLC on July 13, 2022. Anywhere Advisors is a subsidiary of Anywhere Real Estate Services Group LLC and shares the same principal business address as Anywhere and Anywhere Advisors. As of the issuance date of this disclosure document, Anywhere Advisors directly owns and operates real estate brokerage offices doing business as Coldwell Banker®, Coldwell Banker Commercial® and Sotheby’s International Realty. In addition, Anywhere Advisors indirectly owns and operates real estate brokerage offices doing business as Corcoran® and Corcoran Sunshine® through its direct wholly owned subsidiary NRT New York LLC, a Delaware limited liability company (“NRT NY”), whose principal place of business is 660

Madison Avenue, 12th Floor, New York, NY 10065, and those real estate brokerages are included as Real Estate Affiliates (as defined below).

Anywhere Advisors owned and operated 484 Coldwell Banker[®] residential real estate brokerage offices, 1 Coldwell Banker Commercial[®] real estate brokerage office, and 37 Sotheby's International Realty[®] real estate brokerage offices. As of December 31, 2025, NRT NY owned and operated a total of 25 Corcoran[®] real estate brokerage offices, and 1 Corcoran Sunshine[®] office. Anywhere Advisors and NRT NY operate mainly in metropolitan areas and compete directly with franchisees in the areas in which they operate. Anywhere Advisors and NRT NY may compete with you and other franchisees in your market to solicit customers, independent sales associates, managers, employees, and other business, including relationships with title, mortgage, escrow and relocation services. There are no restrictions on Anywhere Advisors and NRT NY regarding competition with franchisees.

Our affiliate @properties has several affiliates that operate residential real estate brokerage businesses under the “@properties” mark and @properties system. As of December 31, 2025, these affiliates operate 36 company owned real estate brokerage offices.

Anywhere Group offers and administers franchises and master licenses in Canada, the territories of the United States and outside the United States for the Coldwell Banker[®] system, and the Better Homes and Gardens[®] Real Estate, ERA[®], CENTURY 21[®], Sotheby's International Realty[®] and the Corcoran[®] systems. These licenses may grant exclusive rights to the licensee for a particular territory to operate real estate brokerage offices under the respective marks and, in some cases, to sublicense the marks to others for use in the operation of real estate brokerage offices.

Anywhere Services Group offers services and products to the Real Estate Affiliates, including those offered under the Strategic Partnership Program (See Item 8).

Anywhere Advisors through a pilot program offer certain transaction coordinator services for a fee to our franchisees and franchisees of the Real Estate Affiliates. This service provides administrative support for the contract-to-close process. If a franchisee chooses to use this service, it will sign a contract directly with Anywhere Advisors, which govern the parameters of the service.

Our affiliate, Christie's International Real Estate Europe Limited, has offered licenses for real estate brokerage businesses under the Marks outside of the United States since 2005. Christie's International Real Estate Europe Limited's principal business address is 8 King Street, London, SW1Y 6QT, United Kingdom. It does not operate the same type of business that is described under this Disclosure Document, and its primary business activities are offering licenses and supporting international Affiliates.

Our affiliate, Christie's International Real Estate Management, LLC, is our former guarantor and its financial statements are disclosed in Item 21 and attached to this FDD for the fiscal years ending in 2023 and 2024. Christie's International Real Estate Management, LLC's principal business address is 806 N. Peoria Street, Chicago, IL 60642. It has never offered franchises in this or any other line of business. It does not operate the same type of business that is described under this Disclosure Document. Its primary business activity is to provide management and support services to real estate entities.

Proper Title, LLC, is an Illinois limited liability company formed on November 21, 2011, with its principal business address at 110 5th Avenue, New York, NY, 10111. Proper Title may supply title insurance to Affiliates in the future. It has never offered franchises in this or any other line of business, and it does not operate the same type of business that is described under this Disclosure Document.

OriginPoint, LLC, is a Delaware limited liability company formed on July 2, 2021, with its principal business address at 1800 West Larchmont Ave, Suite 305, Chicago, IL 60613. OriginPoint may provide

mortgage services to Affiliates in the future. It has never offered franchises in this or any other line of business, and it does not operate the same type of business that is described under this Disclosure Document.

At Properties Developer Services, LLC (“At Development”) is a Delaware limited liability company formed on January 10, 2017, with its principal business address at 110 Fifth Avenue, New York, New York 10011. At Development Operates a real estate development services business and may provide Affiliates with consulting and marketing services in their Businesses in the future. It has never offered franchises in this or any other line of business, and it does not operate the same type of business that is described under this Disclosure Document.

Suburban Jungle, LLC. (“Suburban Jungle”) is an Illinois limited liability company with its principal business address at 110 5th Avenue, New York, NY, 10111. 806 N. Peoria St. Chicago, IL 60642. Suburban Jungle may provide lead generation services to Affiliates. It has never offered franchises in this or any other line of business, and it does not operate the same type of business that is described under this Disclosure Document.

Ansley Atlanta Real Estate, LLC (“Ansley”) is a Georgia limited liability company with its principal business address at 110 5th Avenue, New York, NY, 101119680 Lincoln Way Lane, Suite 2100, Chicago, IL, 60611. Ansley is a real estate brokerage that offers brokerage services to real estate buyers and sellers. Ansley does not offer products or services to CIRE franchisees or offer franchises in any line of business.

Compass Concierge LLC, through an agreement with Notable, a third-party lender, offers a program which provides home sellers with access to capital to front the cost of home improvement services. Home sellers can access funds to prepare their home for sale through Notable, or other independent third-party lenders. In addition, since early 2023, Compass has maintained alternative home improvement programs with several third-party service providers to help Compass affiliated real estate professionals’ clients prepare their homes for listing and sale. These programs are currently offered to real estate brokerage offices under the following names and marks, “Compass,” “Urban Compass,” “Washington Fine Properties,” and Latter and Blum.” (collectively referred to herein as “Compass Brokerage”), and as of 2026, the program is offered to the Real Estate Affiliates, including our franchisees.

Cartus Corporation (“Cartus”), a wholly owned subsidiary of Anywhere Services Group, provides global relocation services to public and private sector employers and their employees. In addition to offering other services, Cartus refers relocating customers to brokers in the United States, including participating franchisees of the Real Estate Affiliates and Anywhere Advisors. Cartus may in the future offer services to our franchisees. Cartus’ principal place of business is at 100 Reserve Road, Danbury, Connecticut 06810.

Business Experience of Real Estate Affiliates. The Real Estate Affiliates that offer franchises that may compete with you include those listed below.

Real Estate Affiliates	Began or will begin Franchising	Predecessor Began Franchising
Century 21 Real Estate, LLC ¹	1995	1972
Coldwell Banker Real Estate LLC ²	1982	N/A
ERA Franchise Systems LLC ³	1996	1972
Sotheby’s International Realty Affiliates LLC ⁴	2004	N/A
Better Homes and Gardens Real Estate LLC ⁵	2008	N/A

Corcoran Group LLC ⁶	2019	N/A
At World Franchising, LLC d/b/a @properties ⁷	2020	N/A

¹**Century 21 Real Estate LLC (“Century 21”).** Century 21 offers residential real estate brokerage franchises to be operated under the service mark “CENTURY 21®.” Century 21 began granting real estate franchises directly to brokers in 1995. From 1972 until 1995, Century 21 only granted subfranchises. These subfranchises authorized the grantees, called subfranchisors, to offer CENTURY 21® franchises to real estate brokers within protected territories. In 1995, Century 21 merged with the United States subfranchisors, and in 1996 began selling CENTURY 21® franchises directly. As of December 31, 2025, franchisees operated 1,685 CENTURY 21® brokerage offices in the United States. Century 21 does not own or operate any real estate brokerage offices in the United States and has never granted franchises in other lines of business.

²**Coldwell Banker Real Estate LLC (“Coldwell Banker”).** Coldwell Banker offers residential real estate brokerage franchises to be operated under the service mark “Coldwell Banker®” and commercial real estate brokerage franchises to be operated under the service mark “Coldwell Banker Commercial®.” Coldwell Banker has been offering residential real estate franchises since 1982 and commercial real estate franchises since 1998. As of December 31, 2025, franchisees operated 1,297 Coldwell Banker® residential real estate brokerage offices and 134 Coldwell Banker Commercial® real estate brokerage offices in the United States. Coldwell Banker has never offered franchises in any other type of business or operated any other type of business.

³**ERA Franchise Systems LLC (“ERA”).** ERA offers residential real estate brokerage franchises to be operated under the service mark “ERA®.” In 2010, ERA began offering franchises to be operated under the service mark “ERA Powered®,” allowing certain qualified applicants to operate franchises using the ERA tools and systems and ERA service marks, including “ERA Powered®,” while maintaining their own trade name as the prominent trade name in their company identity. References to ERA® real estate brokerage offices may also mean ERA Powered® brokerage offices. ERA, directly and through its predecessor, has been offering real estate brokerage franchises since 1972. As of December 31, 2025, franchisees operated 434 ERA® or ERA Powered® real estate brokerage offices in the United States. ERA has never offered franchises in any other type of business or operated any other type of business.

⁴**Sotheby’s International Realty Affiliates LLC (“SIR”).** SIR offers residential real estate brokerage franchises to be operated under the service mark “Sotheby’s International Realty®.” SIR has been offering real estate franchises since 2004. As of December 31, 2025, franchisees operated 672 Sotheby’s International Realty® brokerage offices in the United States. SIR has never offered franchises in any other type of business or operated any other type of business.

⁵**Better Homes and Gardens Real Estate LLC (“BHGRE”).** BHGRE offers residential real estate brokerage franchises to be operated under the service mark “Better Homes and Gardens® Real Estate.” BHGRE has been offering real estate franchises since 2008. As of December 31, 2025, franchisees operated 362 Better Homes and Gardens® Real Estate brokerage offices in the United States. BHGRE has never offered franchises in any other type of business or operated any other type of business.

⁶**Corcoran Group LLC (“Corcoran”).** Corcoran began offering residential real estate brokerage franchises to be operated under the service mark “Corcoran®” in January 2019. As of December 31, 2025, franchisees operated 108 Corcoran® brokerage offices in the United States. Corcoran has never offered franchises in any other type of business or operated any other type of business.

⁷**At World Franchising, LLC d/b/a @properties (“@properties”).** @properties is a Delaware limited liability company that was formed on July 7, 2020 and that has a principal place of business located at 806 N. Peoria St., Chicago, IL 60642. @properties offers and sells residential real estate brokerage franchises using the trademark “@properties” and other related marks. It began offering franchises in 2020. As of December 31, 2025, franchisees operated 5 @properties real estate brokerage offices in the United States. @properties has never offered franchises in any other type of business or operated any other type of business.

Each other Real Estate Affiliate may, in the future, offer franchises using its own franchise disclosure document, and there may be additional Real Estate Affiliates formed in the future. Because the Real Estate Affiliates may establish and grant other third-parties the right to establish brokerages in close proximity to your CIRE office locations, you may face competition from any of these brokerage systems (or new brokerage systems) and their company-owned and franchised real estate brokerage offices for customers, independent sales associates, managers, employees and other business, including relationships with title, mortgage, escrow and relocation services. Each Real Estate Affiliate has total discretion in where to operate and permit its franchisees to operate real estate brokerage offices and has the express right to act in its own interest and the interest of its brokerage system in authorizing, conducting and supporting businesses that will compete with you and our franchisees.

As of December 31, 2025, there were approximately 18,000 real estate brokerage offices operating under our Marks and the marks of the Real Estate Affiliates worldwide. There are no other parents, predecessors, or affiliates that are required to be disclosed in this Disclosure Document.

Our affiliate @properties has several affiliates that operate residential real estate brokerage businesses under the “@properties” mark and @properties system. As of December 31, 2025, these affiliates operate 36 company owned real estate brokerage offices.

Intellectual Property Owner. As described in Item 13 of this disclosure document, Christie, Manson & Woods, Limited, which is based in the United Kingdom, owns the Marks and licenses them to us pursuant to a Trademark License Agreement (“IP Owner”). IP Owner is not currently our affiliate but was our affiliate prior to December 2021.

The Franchise We Offer. We offer you the opportunity to purchase a franchise for a Business and use the Marks and System by signing an agreement (“Broker Affiliate License Agreement” or “License Agreement”) with us. The License Agreement is attached here as Exhibit C. You must obtain our prior written consent to the physical address of your Business (“Main Office”) before you can commence operations of your Business. Under the License Agreement, you will be permitted to use our marketing, business development, and advertising techniques; operating procedures; brand standards; business methods; and other expertise we may supply to you (collectively, the “System”). It will be your sole responsibility to operate your Business in compliance with all applicable laws and regulations, as required under the License Agreement, and as outlined in the Operations Manual, which includes the Brand Guidelines that pertain to the use of the Marks. Under the License Agreement, you may only operate the Business from the Main Office. If you desire to operate the Business at multiple locations, you must obtain our prior written consent and sign our “Additional Office Addendum” or “AOA.”

At the time you sign the License Agreement, you will identify one individual who will operate the Business on a full-time basis (the “Responsible Broker”). The Responsible Broker must be a licensed real estate broker in all jurisdictions you will operate the Business.

We expect that most, if not all, License Agreements that we sign with Affiliates will be with established real estate brokerage businesses who will be converting to our system and will operate using the Marks.

Competition. The residential real estate brokerage industry is a mature industry. You will be competing with other unaffiliated and chain-affiliated real estate brokerage offices in your market area. Some of those offices might be other offices operating under the Marks, or franchised offices of the Real Estate Affiliates or offices of our Related Parties Anywhere Advisors, NRT NY and Compass Brokerage. You may face competition for independent sales associates, customers (buyers and sellers), listings, property management, and related real estate business in your market area from other CIRE franchisees, franchisees of the Real Estate Affiliates, Anywhere Advisors, NRT NY and Compass Brokerage. We do not restrict your competition, although we encourage our franchisees to work collaboratively for the success of the System. The market for real estate services is typically the most developed in more populous areas. In resort areas, the market for residential real estate may be seasonal.

Laws Applicable to the Real Estate Brokerage Business. Each of the states in which we grant franchises has laws and regulations governing the operation of a real estate brokerage office. You will be required by those laws and by your License Agreement to comply with all regulatory requirements in your market area. An individual must be licensed by the state as a real estate broker before that person may provide real estate brokerage services. You should consult with the appropriate state licensing authority before entering into a License Agreement. There will also be other laws and regulations, including federal laws like the Real Estate Settlement Procedures Act (“RESPA”), that may impact many important ways that you do business, including how you represent your clients and customers, your client agreement provisions, your real estate license, your relationship with your independent sales associates, how you handle your accounting and your revenues, what fees you may charge and with whom they can be split, if any, how you advertise and how you hold yourself and your independent sales associates out to the public. Additionally, there has recently been significant litigation and regulatory scrutiny regarding the manner in which commissions are communicated, negotiated or paid that may affect your operations in the future. We urge you to familiarize yourself with these laws, regulations and related litigation by asking a legal advisor or an appropriate state agency about them. Some states may have home protection, home warranty, residential service contract or insurance laws and regulations.

ITEM 2 BUSINESS EXPERIENCE

Michael Golden, Co-CEO. Mr. Golden has served as our Co-CEO since December 2021. He is based in Chicago, Illinois. Mr. Golden also serves as the co-CEO of At World Franchising, LLC in Chicago, Illinois and has held that role since July 2020. In addition, Mr. Golden serves as the co-CEO to At World Properties, LLC in Chicago, Illinois, and has held that role since April 2000.

Thaddeus Wong, Co-CEO. Mr. Wong has served as our Co-CEO since December 2021. He is based in Chicago, Illinois. Mr. Wong also serves as the co-CEO of At World Franchising, LLC in Chicago, Illinois and has held that role since July 2020. In addition, Mr. Wong serves as the co-CEO to At World Properties, LLC in Chicago, Illinois, and has held that role since April 2000.

Gavin Swartzman, President. Mr. Swartzman has served as our President since April 2025. He is based in Chicago, Illinois. Prior to that, Mr. Swartzman served as Chief Executive Officer of Peerage Realty Partners, in Toronto, Ontario, Canada from January 2014 to March 2025.

G. Scott Hurlock, Senior Vice President of Strategic Growth. Mr. Hurlock has served as our Senior Vice President of Strategic Growth since August 2025. Mr. Hurlock is based in Minneapolis, Minnesota and serves in a similar role, as a strategic growth advisor, for our affiliate At World Franchising, LLC in Chicago, Illinois since August 2025. Prior to that, Mr. Hurlock served as Senior Vice President, Expansion for Engel & Völkers in New York, New York from October 2021 to August 2025 and as Senior Vice President of Franchise Development for HomeSmart International in Scottsdale, Arizona from April 2020 to September 2021.

Nicole Konsler, Executive Vice President of Affiliate Services. Ms. Konsler has served as our Executive Vice President of Affiliate Services since April 2025. Ms. Konsler is based in Chicago, Illinois and she serves in a similar role, as an affiliate services advisor, for our affiliate At World Franchising, LLC in Chicago, Illinois since April 2025. Previously, Ms. Konsler served as our Vice President of pl@form Education from September 2023 to March 2025, and as our Senior Manager, Affiliate Training & Coaching from January 2021 to September 2023.

ITEM 3 LITIGATION

Antitrust Putative Class Actions.

1. In late 2023 and early 2024, six class action lawsuits were brought against national real estate brokerage and sales companies, including Parent and us related to certain real estate listing policies, which are alleged to be anticompetitive and in violation of certain antitrust laws. Parent reached a nationwide class settlement in connection with both a nationwide class of sellers and a nationwide class of buyers. On November 4, 2024, Judge Bough entered an order granting final approval of Parent's class settlement with a nationwide sellers' class. Gibson et al v. National Association of Realtors et al, 4:23-cv-00788 (W.D. Mo. filed Oct. 31, 2023) (consolidated with Umpa v. The National Association of Realtors et al., Case No. 23-cv-000945 (W.D. Mo. filed Dec. 27, 2023)). That order was appealed to the 8th Circuit, which held an oral argument on January 14, 2026. On October 16, 2025, Judge Jenkins entered an order preliminarily approving Parent's class settlement with a nationwide buyers' class. Tuccori v. At World Properties, LLC, 1:24-cv-00150 (N.D. Ill. removed to federal court on January 5, 2024). The nationwide class settlements Parent entered into obligated Parent to make settlement payments and certain practice changes. The status of the six class actions are as follows:

2. 1925 Hooper LLC et al v. The National Association of Realtors et al., Case No. 23-CV-05392 (N.D. Ga. filed Nov. 22, 2023). Putative class action on behalf of nationwide class of persons who engaged a listing broker affiliated with any defendant anywhere in the United States and incurred a commission payment to the buyer's broker in connection therewith from December 6, 2019 through the date of case filing. This case was dismissed on November 21, 2024 following final settlement approval in the consolidated Gibson et al v. National Association of Realtors et al. and Umpa v. The National Association of Realtors et al. case.

3. Burton v. Bluefield Realty Group, LLC et al. – Case No. 24-cv-01800-JDA (D.S.C.). Putative class action on behalf of statewide class of persons from November 6, 2019, through the date of case filing who used a listing broker in the sale of a home listed on an MLS in the District of South Carolina. This case is stayed during the pendency of the appeals of the order granting final approval of the settlement in the consolidated Gibson et al v. National Association of Realtors et al. and Umpa v. The National Association of Realtors et al. case.

4. Friedman v. The Real Estate Board of New York, Inc. et al, Case No. 24-CV-00405 (S.D.N.Y.), originally 23-CV-09601 (E.D.N.Y. filed Dec. 29, 2023). Putative class action on behalf of class of persons who sold residential real estate in REBNY Brooklyn using the services of a broker defendant and paid a buyer broker commission from January 18, 2020 through the date of case filing. Christie's International Real Estate LLC was voluntarily dismissed following the announcement of its settlement in Umpa v. The National Association of Realtors et al.

5. March v. The Real Estate Board of New York et al, Case No. 23-CV-09995 (S.D.N.Y. filed Jan. 1, 2024). Putative class action on behalf of class of persons who sold residential real estate with the Real Estate Board of New York Listing Service Universal Co-Brokerage Agreement Rules and Regulations from

November 8, 2019 through the date of case filing. This case is stayed during the pendency of the appeals of the order granting final approval of the settlement in the consolidated Gibson et al v. National Association of Realtors et al. and Umpa v. The National Association of Realtors et al case.

6. Tuccori v. At World Properties, LLC, Case No. 24-CV-00150 (N.D. Ill. filed Jan. 05, 2024). Putative action on behalf of nationwide class of persons from March 17, 2000 through the date of case filing who purchased residential real estate listed on a Multiple Listing Services (“MLS”) in a transaction with a buyer-agent and/or seller agent employed by or otherwise affiliated with Company or any of its franchisees, subsidiaries, agencies, or otherwise affiliated entities. @properties has reached a putative nationwide class settlement, which received preliminary approval on October 16, 2025. Under that settlement, @Properties agreed to (i) pay a settlement amount into a fund that would be distributed to members of the nationwide class; (ii) undertake certain operational changes for company-owned outlets (and recommend to franchisees to do the same); and (iii) cooperate with settlement class counsel and the settlement administrator.

7. Umpa v. The National Association of Realtors et al., Case No. 23-cv-000945 (W.D. Mo. filed Dec. 27, 2023). Putative class action on behalf of nationwide class of persons from December 27, 2019 through the date of case filing who used a listing broker affiliated with any corporate defendant in the sale of a home listed on an MLS, and who paid a commission to a cooperating broker in connection with the sale of the home. Parent filed an individual and joint motion to dismiss and a motion to strike arbitrating class members. In November 2024, the court issued a final approval of the settlement in this case. That order was appealed to the 8th Circuit, which held an oral argument on January 14, 2026. Under the settlement, @Properties agreed to (i) pay a settlement amount into a fund that would be distributed to members of the nationwide class; (ii) undertake certain operational changes for company-owned outlets (and recommend to franchisees to do the same) including, informing home sellers/buyers of the negotiable nature of broker commissions, disclosing if certain compensation is received in connection with a marketed home, and refraining from filtering or restricting listings based on the compensation received in connection with the sale of a home; and (iii) cooperate with certain other legal actions associated with the class action.

Other Pending Actions.

1. Stuart v. HK Lane Palm Desert, Inc., Case No. PSC-1804352 (Sup. Ct. Cal. filed Jul. 23, 2018). Bruce F. Stuart, Trustee of the Bruce F. Stuart Trust Dated May 21, 1996, filed suit against Christie’s International Real Estate’s affiliate HK Lane Palm Desert, Inc., as well as Christie’s International Real Estate for breach of fiduciary duty, professional negligence, fraudulent misrepresentation, negligent misrepresentation, and constructive fraud, alleging that a licensed broker of one of HK Lane Palm Desert, Inc. in California failed to disclose that apartments on a property the broker partner sold to Stuart were not properly permitted and did not have certificates of occupancy. Stuart seeks actual damages, punitive damages, pre- and post-judgment interest, costs and attorneys’ fees. The parties have entered into a settlement agreement which is pending approval from the bankruptcy court due to HK Lane Palm Desert, Inc.’s ongoing bankruptcy.

2. Morrisey v. Curtis, et al., Case No. 2022 L 1289 (Ill. Cir. Ct. filed on May 15, 2023). Parent and licensed broker partner who is affiliated with Parent are currently the subject of a suit that alleges failure by partner and licensed broker partners to disclose structural defects in a single-family home. The Court granted three motions to dismiss filed by licensed broker partner, the last one being with prejudice. The plaintiff/buyer appealed this decision, which is currently on appeal with the Illinois Appellate Court.

3. Aratlakov v. Lost Island, et. al., Case No. 2023 LA 19 (Ill. Cir. Ct. filed February 28, 2023). Parent and licensed broker partner who is affiliated with Parent are currently the subject of a use, allegedly prohibited under applicable zoning regulations, in connection with the sale of real estate to buyer Aratlakov. Aratlakov seeks monetary damages. Parent intends to vigorously defend against these charges and will move for summary judgment.

4. Anywhere Real Estate/Compass Merger Related Litigation. Anywhere filed with the SEC a definitive proxy statement on December 2, 2025 (the “Definitive Proxy Statement”) for the solicitation of proxies in connection with the special meeting of Anywhere’s stockholders to be held on January 7, 2026, to vote upon, among other things, matters necessary to adopt and complete the proposed merger with Compass (the “Merger”).

Following the filing of the Definitive Proxy Statement, three complaints have been filed by purported stockholders of Anywhere as individual actions with respect to the Merger. These cases are summarized below:

John McDaniels v. Anywhere Real Estate Inc., Michael J. Williams, Fiona Dias, Matthew J. Espe, V. Ann Hailey, Bryson R. Koehler, Joseph Z. Lenz, Duncan Niederauer, Egbert L. J. Perry, Ryan M. Schneider, Enrique

Silva, Chris Terrill, and Felicia Williams (Index No. 656379/2025, Supreme Court of the State of New York, County of New York, December 10, 2025).

John Marino v. Anywhere Real Estate Inc., Michael J. Williams, Fiona Dias, Mathew J. Espe, V. Ann Hailey, Bryson R. Koehler, Joseph Z. Lenz, Duncan Niederauer, Egbert L.J. Perry, Ryan Schneider, Enrique Silva, Chris Terrill and Felicia Williams (Index No. 656398/2025, Supreme Court of the State of New York, County of New York, December 11, 2025).

Dean Drulias v. Fiona Dias, Matthew Espe, Bryson Koehler, V. Ann Hailey, Joseph Lenz, Duncan Niederauer, Egbert Perry, Ryan Schneider, Enrique Silva, Sherry Smith, Chris Terrill, Felicia Williams, Michael Williams, Anywhere Real Estate Inc., and Compass, Inc. (Case No. MRS-C-000133-25, Superior Court of New Jersey, Morris County, General Equity Division, December 18, 2025).

The plaintiffs in each of these cases are purported Anywhere shareholders who filed suit naming as defendants Anywhere Real Estate Inc., its Board of Directors, and its Chief Executive Officer. The Drulias complaint also names Compass, Inc. as a defendant. The complaints generally allege that, among other things, the Definitive Proxy Statement is misleading and contains certain disclosure deficiencies and/or incomplete information regarding the Merger in violation of applicable federal or state law. The complaints seek, among other things: (i) a direction that the Anywhere make corrective and complete disclosures; (ii) to enjoin the consummation of the Merger and the other transactions contemplated by the merger agreement unless and until the information purportedly omitted from the Definitive Proxy Statement is disclosed; (iii) rescission or rescissory damages in the event the Merger and the transactions contemplated by the merger agreement are consummated; (iv) an award of costs of the actions, including attorneys’ and expert fees; and (v) any other relief the court may deem just and proper. The complaints collectively assert causes of action for Negligent Misrepresentation, Negligent Misrepresentation and Concealment, Negligence, and violations of the New Jersey Uniform Securities Law and California Corporations Code § 25401. In the Drulias case, a settlement in principle was reached among the parties and, on December 28, 2025, a Memorandum of Understanding was executed under which Anywhere or its successors will cause \$450,000 to be paid to Plaintiffs’ attorneys. Anywhere believes that the claims asserted are without merit and that no supplemental disclosures to the Definitive Proxy Statement are required or necessary under applicable laws. However, in order to avoid the risk of delay and to minimize the potential expense associated therewith, and without admitting any liability or wrongdoing, Anywhere and Compass voluntarily made certain disclosures on a Form 8-K filed on December 29, 2025, that supplement those contained in the Definitive Proxy Statement. On January 2, 2026, the Drulias plaintiff filed a notice voluntarily discontinuing the action with prejudice.

5. Batton, et al. v. Compass, Inc., et al., No. 1:23-cv-15618 (N.D. Ill.) (“Batton II”), (filed on November 2, 2023), named Compass and seven other brokerages as defendants and alleges that the defendants entered into a continuing contract, combination, or conspiracy to unreasonably restrain interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. §1 and state law antitrust statutes, violated state consumer protection statutes, and were unjustly enriched by industry rules that set the manner by which buyer’s brokers are compensated. The allegations in Batton II are substantially similar to those contained in the case captioned Batton, et al. v. National Association of Realtors, et al., No. 1:21-cv-00430 (N.D. Ill.) (“Batton I”), (filed on January 25, 2021), which does not name Compass but names the National Association of Realtors and other companies including Anywhere. Compass and the defendants in the Batton II matter filed a motion to dismiss the amended complaint on June 21, 2024. The plaintiffs filed an opposition to the motion to dismiss on August 5, 2024 and Compass and the defendants filed a reply on September 4, 2024. The court granted the motion in part and denied it in part on March 24, 2026.

On April 9, 2026, following a mediation, Compass reached a settlement in the *Tuccori v. At World Properties, et al* case, similar to its subsidiary Anywhere Real Estate Inc. The Tuccori settlement with At World Properties and others a preliminarily approved by the court on October 15, 2025, included an opt-in procedure under which other companies not specifically named as defendants but which are subject to similar home buyer claims could opt in, subject to preliminary and final court approval of such an opt-in settlement. The settlement will be submitted to the court for preliminary approval in May 2026. On April 27, 2026, Compass filed a motion to stay in Batton II pending the *Tuccori* Court’s review of the Company’s proposed settlement in that matter.

Other Resolved Litigation.

None.

Franchisor – Initiated Actions.

None.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this item.

ITEM 5 INITIAL FEES

You must pay to us an initial fee of \$35,000 (the “Initial Fee”). The Initial Fee is due to us in full when you return to us signed copies of your License Agreement. The Initial Fee is fully earned by us upon receipt, and the Initial Fee is non-refundable under any circumstances.

In addition, a portion of your start-up supplies and inventory, such as listing presentations, buyer books, and relocation booklets, may be purchased from us, instead of third-party suppliers. The amount will vary based on your office, but we estimate that the costs will be between \$2,500 to \$5,000. These payments

must be made promptly upon receipt of the products or invoice, are fully earned upon payment, and non-refundable.

ITEM 6 OTHER FEES

Fee (Note 1)	Amount (Note 2)	Due Date	Remarks
Royalty Fee	3% to 6% of Gross Revenues, depending on whether your Protected Territory is exclusive and other factors	Monthly	Paid via Electronic Funds Transfer (EFT). You and we will negotiate your Royalty Fee, which will vary based on whether your Protected Territory is exclusive and other factors. It will range between 3% and 6%.
Advertising Fund Fee	Currently not collected	If collected, monthly with the Royalty Fee	We do not currently have an Advertising Fund. If implemented, the Advertising Fund Fee will not exceed 3% of Gross Revenues.
Additional Training, Training, Designated Programming	Currently, not collected, but the expected range would be between \$200 to \$3,000, per person per day	Upon demand	(Note 3)
Additional Training	Currently, \$500 per attendee per day	Upon demand	
Annual Conference Fee	Currently, the expected range would be \$1,500 to \$3,500 per person	Before attending the Annual Conference	We may modify the Annual Conference Fee upon 30 days' prior written notice to you; however, we will not increase the fee more than 10% annually.
Transfer Fee	\$5,000	Before you complete the transfer	Subject to state law, you pay the transfer fee when the License Agreement, the Business, or a material interest in you is transferred. You do not pay the transfer fee if the transferee is an entity controlled by you.
Renewal Fee	\$1,000	Upon notice of intent to renew	
Audit Fee	Cost of Audit	When incurred	Payable if audit discloses an under reporting of Gross Revenues or underpayment to us by 5% or more.
Insurance	Actual amount incurred	Upon demand	If you fail to purchase the insurance policies required under the License Agreement, we may purchase them on your behalf, and you will reimburse us.

Fee (Note 1)	Amount (Note 2)	Due Date	Remarks
Liquidated Damages	An amount equal to the average of the Royalty Fees payable by you over the previous 12 months (or the annualized amount of Royalty Fees if your Business has not been open for at least 12 months) and multiplied by the lesser of 24 or the number of months remaining on the term of the License Agreement	When the License Agreement is terminated prior to the end of the initial term	This is not a penalty but is an attempt to calculate of our damages for lost future revenue resulting from your breach or termination of the License Agreement.
Interest	Lessor of 1.5% per month or the maximum permitted by law	Owed on past due amounts	
Tax indemnity	Actual amount incurred	Upon demand	If required by the federal, state or locality in which your Business is located. Including sales, excise or gross receipts tax or similar type tax on the initial fee, royalty, and other fees and costs.
Step-In Management Fee	Currently \$500 per day plus costs and expenses	Upon demand	In the event of your death or incapacity, we are entitled to a per diem amount, currently \$500 per day, plus reimbursement for any reasonable expenses we incur in managing your Business. We may modify the Step-in Management Fee upon 30 days' prior written notice to you; however, we will not increase the fee more than 10% annually.
Digital Campaigns	Your pro-rata share of the cost	At time of expense	We may negotiate contracts with vendors such as realtor.com, Zillow, Trulia, and Google AdWords. If you choose to participate, you must pay your pro-rata share either directly to the vendor or reimburse us.
Indemnity	Actual loss sustained	Upon demand	You must indemnify us from any loss arising directly or indirectly from the License Agreement, your operation of the Business, our relationship, your and/or your employees' actions or inactions, any claim that we are a joint employer with you for any reason, your activities under the License Agreement, and/or your breach of the License Agreement, etc.

Fee (Note 1)	Amount (Note 2)	Due Date	Remarks
Attorney Fees and Costs	Actual amount incurred	Upon demand	If we are the prevailing party in litigation with you, you agree to pay our costs and attorney fees in any action brought to enforce any provision of the License Agreement or to enjoin any violation of the License Agreement.
Late Payment Fee	\$100 for each failure to pay each fee on time, and interest on the overdue amount at the rate of 1.5% per month (or the maximum rate permitted by applicable law, if less than 1.5%) from the date such amount was due until paid in full	Upon demand	
MLS Fee	\$5,000 to \$10,000	Upon Demand	If you add additional MLS feeds to your account, you will be responsible to pay the MLS set up fee.
DMS Fee	\$150 per agent	Annually	If you are using our proprietary software, there is an annual charge of \$125 per agent for the Deal Management System for access to all MLS forms and DocuSign.

Notes:

1. Fee. Except where otherwise specified, we uniformly impose and collect all the fees in this table, you pay them to us, and they are not refundable. There currently aren't any cooperatives or cooperative fees in the system, nor do we have any company-owned Businesses.

2. Amount. "Gross Revenues" means the aggregate dollar amount from all sales of goods or services made, provided by, or in connection with the Business or the Marks, whether for cash or credit or non-cash payments or consideration at fair market value, regardless of collection in the case of credit, before the deductions of any fees, costs, or expenses you incur. Gross Revenues includes, without limitation the total commissions earned from each transaction before any deductions, including without limitation, MLS fees. Gross Revenue excludes the portion of the commissions earned from each transaction that is paid to or shared with an authorized and approved affiliated referral source.

Before you may commence operations of the Business, you must sign and deliver to us all bank documents needed to permit us to debit your bank account via ACH Electronic Transfer for all fees and payments due to us or our affiliates. If you change your bank account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us and the bank new documents to permit us to debit your bank account within three days. We require you to execute an Automatic Bank Draft Authorization and pay most fees to us via ACH electronic funds transfer. See Exhibit 2 to the License Agreement.

3. Additional Training, Mentoring, and other Designated Programming. We may develop one or more of the following programs: (a) an additional customized training program for you and your affiliated real estate agents, (b) a mentoring program, and (c) any other specialty training, mentoring, or development program we develop from time to time. You will pay any fees we designate for this additional customized training, mentoring, and any other designated programming as we describe in the Operations Manual, and we will not increase any these fees more than once per calendar year, once implemented. We may implement the additional customized training, mentoring, and any other designated programming at any time we determine, and you agree to participate in the additional customized training, mentoring, and any other designated programming as described in the Operations Manual at any time we designate. We may modify or discontinue any program at our option at any time. We may implement the additional training, mentoring, and any other designated programming at any time we determine, and you agree to participate in the additional training, mentoring, and any other designated programming as described in the Operations Manual at any time we designate. We may modify the Additional Training fee upon 30 days' prior written notice to you; however, we will not increase the Additional Training fee more than 10% annually.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (Note 1)	Estimated Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Fee (Note 2)	\$35,000	Lump sum	When you sign the License Agreement	Us
Initial Training Expenses (Note 3)	\$1,000 to \$10,000	As incurred	Before opening	Third-party vendors
Leasehold Improvements (Note 4)	\$0 to \$150,000	As agreed upon	As agreed upon	Third-party vendors
Rent and Security Deposit (Note 5)	\$3,000 to \$10,000	As agreed upon	As agreed upon	Landlord
“For Sale” Signage (Note 6)	\$1,000 to \$25,000	As incurred	Before opening	Third-party vendors
Office Signage (Note 7)	\$250 to \$5,000	As incurred	Before opening	Third-party vendors
Equipment and Furniture (Note 8)	\$7,500 to \$50,000	As incurred	Before opening	Third-party vendors
Computers and Software (Note 9)	\$2,500 to \$10,000	As incurred	Before opening	Third-party vendors
Start-up Supplies and Inventory (Note 10)	\$5,000 to \$10,000	As incurred	As incurred	Third-party vendors and Us

Type of Expenditure (Note 1)	Estimated Amount	Method of Payment	When Due	To Whom Payment is to be Made
Insurance (Note 11)	\$1,500 to \$25,000	As incurred	Before opening	Third-party vendors
Professional Fees (Note 12)	\$1,500 to \$5,000	As incurred	As incurred	Accountants, Attorneys
Utilities (Note 13)	\$350 to \$2,500	As incurred	As incurred	Third-party vendors
Licensing Costs (Note 14)	\$500 to \$2,500	As incurred	As incurred	State agencies
Data Feed Transmission (Note 15)	\$250 to \$3,000	As incurred	As incurred	Third-party vendors
Additional Funds – 3 Months (Note 16)	\$5,000 to \$90,000	As incurred	As incurred	Third-party vendors
MLS Fee (Note 17)	\$0 to \$10,000	As incurred	As incurred	Us
DMS Fee (Note 18)	\$125	As incurred	Annually	Us
TOTAL (Note 19)	\$64,475 to \$443,125			

Notes:

1. **Type of Expenditure.** The amounts in Item 7 assume you are an existing real estate brokerage company with approximately 50 affiliated real estate agents converting to a Business. If you are a new real estate brokerage company, your costs will likely be higher than those included in this Item 7. None of the fees paid to us in this chart are refundable. Whether such fees paid to third parties are refundable would depend upon their policies. We do not offer direct or indirect financing to Affiliates for any items.

2. **Initial Fee.** The initial fee is \$35,000 and is payable in accordance with Item 5.

3. **Initial Training Expenses.** We typically offer initial training in or near Chicago, Illinois, but we may offer the initial training electronically. Travel and living expenses will vary significantly depending upon whether you live within driving distance or whether you must fly, rent a car, or incur lodging expenses.

4. **Leasehold Improvements.** You will operate the Business from a retail office location that we consent to. We anticipate the amount of leasehold improvement expense that you will incur will depend upon whether you already have a suitable office location and, if not, the extent to which you will need to make renovations and repairs.

5. **Rent and Security Deposit.** We anticipate your Business will need to rent a location containing approximately 1,000 to 10,000 square feet depending on the number of agents that are affiliated with your Business, the location of your Business, and other factors. The amount of rent that you will incur

will depend upon whether you already have a suitable office location and will also vary considerably in different market areas. The figures in the chart are an estimate rent for the first three months plus a security deposit for one month's rent.

6. **“For Sale” Signage.** The amount you will spend on “for sale” signage will depend on a number of factors, including the number of agents affiliated with your Business, the number of properties the Business lists at a time, and other factors.

7. **Office Signage.** You must obtain exterior signage for identifying the Main and any Additional Offices of the Business. The type of signage allowed varies depending on city ordinances, property owner's association covenants, and landlord preferences.

8. **Equipment and Furniture.** You will need telephones, chairs, desks, file cabinets, tables, scanner, printer, and other items we specify. The amount you incur will depend on the size of your Main Office, the number of Additional Offices your Business operates, the number of agents affiliated with your Business, and other factors.

9. **Computers and Software.** We require you to use the computer hardware, software, and systems as we specify, which may include vendors that we designate from time to time, which may include us, our affiliates, or third parties. Even if you have the required computer hardware we require, you may incur costs to access the required computer software and systems we require, including our proprietary technology system. In order to utilize some of the functionality of the proprietary software, you or your agents may be required to contract with 3rd party software providers and pay additional fees, or we may implement those additional technology tools, processes, or systems, and you will be responsible for paying additional fees related to those implementations.

10. **Start-Up Supplies and Inventory.** Your primary cost for start-up supplies and inventory will be basic real estate related marketing materials, products (listing presentations, buyer books, relocation booklets, branded closing gifts, About Us brochures, etc.), touchpoints, paper, and general office supplies.

11. **Insurance.** You will need to obtain insurance in the types, amounts and coverages as we specify, as summarized in Item 8. Your costs will vary depending on your geographic location, the insurance company that issues your Business's policies, the number of agents affiliated with the Business, and other factors.

12. **Professional Expenses.** You may incur professional legal and accounting fees to assist with your entity set up, local licensing, and other legal and accounting issues. We recommend that you operate your Business as an entity.

13. **Utilities.** Utilities rates vary by market areas. Additionally, some utilities such as gas, electric, sewer, water, or trash removal are included in the lease rate and some are not.

14. **Licensing Costs.** You will need a real estate brokers license(s).

15. **MLS Data Feed Transmission.** We require you to subscribe to a real estate listing data feed, presently the multi-listing service (“MLS”) and pay the associated subscriber fees. The amount you will spend for the MLS data fee transmission depends on the local MLS or association charges.

16. **Additional Funds – 3 Months.** Additional funds are to pay for permits, payroll, miscellaneous expenses, and to maintain sufficient working capital. These figures are estimates of your initial expenses covering the first three months of your operation. We base this estimate upon our management team's more than twenty years of experience in the real estate industry.

17. **MLS Fee.** We charge a fee in the range of \$5,000 to \$10,000 to add additional MLS feeds not added during the initial proprietary software setup. This amount ranges based on the amount that the individual MLS charges for setup. These fees will be shared with you and approved by you prior to being charged.

18. **DMS Fee.** If you will use our proprietary software, there is a per agent fee in the amount of \$125, which is charged annually. This fee is for access to all MLS forms and DocuSign through the software application or platform.

19. **Total.** We cannot guarantee that you will not have additional expenses starting your Business.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure a consistent brand and quality of products and services, you must maintain and comply with our quality standards. We will provide you information on these standards through Operations Manual. As we determine trends in the marketplace or develop new marketing techniques, technologies, products, and services, we anticipate that we will develop new and/or modify existing standards and notify you through Operations Manual amendments. You must comply with all such mandatory standards.

Equipment, Products and Signs

In operating your Business, you may only use approved or designated materials, supplies, equipment, furniture, tools, internal and external signage for the Main and Additional Offices, all “for sale” signs, inventory, supplies, forms, printed and electronic advertising materials, computer hardware and software that we have approved as meeting our specifications and standards for appearance, function, and performance (“Approved Items”). You may be required to purchase Approved Items from those suppliers we approve or designate. We may establish a list of suppliers and vendors pre-approved by us for certain inventory and supplies that you may use (“Approved Suppliers”). You are under no obligation to use these Approved Suppliers in the regular course of your business. However, in the event that we require certain fixtures, equipment, inventory, and/or supplies that you are unable to reasonably locate elsewhere, you must use the Approved Suppliers. We or one of our Related Parties may be a designated or an Approved Supplier of one or more Approved Items, but as of the issuance date of this Franchise Disclosure Document, neither we nor our Related Parties are the sole supplier for Approved Items (except for the proprietary software and marketing materials described below). We reserve the right to name ourselves, our Related Parties, or a third party as the sole, or one of, the Approved Suppliers for one or more Approved Items.

Computer Hardware and Software

We require that you obtain and use certain computer hardware and software to operate your Business in accordance with our then-current information technology requirements as specified in the Operations Manual from time to time. You are responsible for purchasing the required computers, as well as any costs related to any accessories, repairs, replacement or upgrades to the computer(s).

You must use any proprietary bundle of software and services in the operation of your Business that we designate. As of the issuance date of this Franchise Disclosure Document, we are the only approved supplier for the proprietary software.

In addition, in the future we may require that you use the communications technology program, Konverse, and pay their then-current fees.

Since technology, particularly in the real estate brokerage business is changing, we reserve the right to require businesses operating under the System and Marks, including your Business, to change technology systems, or implement new or changed technologies, and you would be required to pay the initial, conversion, and ongoing fees and costs associated with those changes, which payments may be to us or to third parties.

Insurance

Before beginning operations under the License Agreement, you must obtain, and maintain in full force and effect during the term of the License Agreement, those insurance policies we require, including but not limited to the following, insuring you and us against any liability that may accrue by reason of your operation of the Business:

1. Comprehensive General Liability Insurance, including broad form contractual liability, broad form property damage, personal injury, completed operations, fire damage, advertising and products liability coverage, in the amount of \$1,000,000 per occurrence for bodily injury and property damage.

2. Workers' Compensation and Employers Liability insurance in the minimum amount of \$500,000 for bodily injury per accident, \$500,000 for bodily disease per employee, \$500,000 bodily disease policy limit, or such other amounts as may be prescribed by the state or locality in which the Business is located, unless your state requires that employers must participate in a state-administered insurance pool (in which case you must adopt and implement a qualifying plan).

3. Automobile liability coverage, including coverage of any owned, non-owned and hired vehicles, in amounts not less than \$1,000,000 combined single limit.

4. Errors and omissions liability insurance in the minimum amount of \$1,000,000 per occurrence covering real estate brokerage services plus any other approved services and products, as applicable, that any person associated with your Business offers.

5. Such other insurance as may be required by the state or locality in which the Business is located and operated.

6. Each policy, except workers' compensation, must name us as an additional insured. All policies must be endorsed to include a waiver of subrogation in our favor and our subsidiaries, affiliates, successors and assigns and their respective directors, officers, shareholders, members, managers, partners, employees, servants, representatives, independent contractors and associates.

The insurance coverage must be obtained from an admitted, responsible carrier or carriers acceptable to us, with a rating of at least "A" by Standard and Poor, Moody's and A.M. Best. In addition to or in lieu of the above, you must maintain any other insurance as may be required by statute or regulation of the state in which you operate the Business. If your state or local insurance requirements, including coverage requirements, are less stringent, less comprehensive, or lower than what we have specified, you must comply with our requirements. We will provide you with a list of approved insurance carriers, and related information in the Operations Manual, and you must obtain required insurance coverages from an approved insurance carrier. You must name us, our Related Parties, and our and our Related Parties' respective owners, officers, directors, and employees as additional insured for each required policy. All insurance policies must contain a waiver of the insurance company's right of subrogation against us and must provide

that we will receive prior written notice of any material change, termination, expiration or cancellation of any policy.

We may periodically change the minimum coverage and deductible requirements for you, and we may require different or additional kinds of insurance for you to reflect economic, industry, or standard changes in your liability and insurance coverage. We will provide you prior written notice and at least 45 days to obtain the revised insurance policies.

At least two weeks before you open your Business, you must provide us with copies of the certificate of insurance, insurance policy endorsements, or other evidence of compliance with our insurance requirements. Further, you must send us a copy of the evidence of the renewal or extension of each insurance policy in a form we require at least two weeks before the expiration of your then current policy.

We may designate other policies, procedures, or standards regarding insurance in our Operations Manual from time to time.

Signs

You must purchase from approved suppliers all internal and external signage for the Main and Additional Offices, and all “for sale” signs that you and your agents will use in your Business. Additionally, you may purchase these materials from a third party provided the purchased materials comply with our standards as described in the Operations Manual. Immediately upon receipt of notice from us, you must stop using any signs from a non-approved supplier if, solely in our judgment, that sign violates our policies and procedures or could adversely impact the Marks or the System.

Marketing and Advertising Materials

You must purchase from us and other Approved Suppliers any approved marketing materials you want to use in your Business that we designate, including brochures, business cards, promotional items, signage, and other marketing materials.

Website

We may develop and maintain a comprehensive website that is built with location-specific content, information, and real estate search on our digital platform, and you will reimburse us for such costs and expenses. Your website must comply with the policies that we establish from time to time which include, but are not limited to, the Brand Guidelines that are contained in the Operations Manual. You are required to own and operate a website to advertise your Business and the properties offered for sale by your Business, provided that (A) all uses of the Marks comply with the Brand Guidelines, and (B) that you comply with our requirements for (1) linking or framing our website; (2) the use, registration, and ownership of Internet domain name; and (3) the use any e-mail addresses related to the Business.

Photography and Videography

You must obtain professional photography services from a photographer that we approve for photos and videos of your Main Office, Additional Offices, and other people or locations as we determine.

Approved and Alternate Suppliers

With the exception of the marketing materials and the proprietary software, neither we nor our Related Parties are currently the only designated or Approved Supplier of any other products or services. We reserve the right to be one of, or the sole, designated or approved supplier in the future.

You must purchase or lease certain Approved Items only from our Approved Suppliers, which may include our Related Parties or us. The Operations Manual will contain a list of Approved Suppliers and a list of Approved Items we deem necessary to operate your Business. These lists may include suppliers from which you must purchase certain items, or specific brands or types of items that you may buy from any source provided that the items conform to the standards and specification we designated. Approved Suppliers, specifications, and standards are determined based on the current needs for operating Businesses, and we may make changes in the Operations Manual.

We consider a variety of factors when considering which suppliers we will deem as approved suppliers, such as price, service, quality, warranty, delivery terms, ability to provide products and services that meet our specifications, responsiveness, and other commercially reasonable benchmarks. If you want to use a material, supply, equipment, product or sign that we have not yet approved, or you want to purchase any items from any supplier that we have not approved, you must first notify us in writing and must submit to us, at our request, sufficient information, specifications, and samples for us to determine whether the services, material, supply, equipment, product or sign complies with our specifications and standards, or whether the supplier meets our approved supplier criteria. We reserve the right to approve or disapprove without any obligation to provide an explanation of the approval criteria to you. Within 90 days of receiving your request, we will either accept or reject the proposed item or supplier. You will not distribute or offer for sale any products or services of the proposed supplier until you receive our written approval. We do not charge a fee to evaluate alternative supplier or items. We may revoke our approval of any supplier or item with 30 days' prior written notice to you. Upon receipt of written notice of such revocation, you must cease to purchase from the disapproved supplier(s) or to purchase the disapproved item(s).

Revenues and Rebates

We and our Related Parties have the right to receive, collect and retain payments, manufacturing allowances, marketing allowances, rebates, credits, monies, or benefits (collectively, "Allowances") offered by our Approved Suppliers to you or to us or our Related Parties based upon your and/or other Affiliates' purchases of products and services. These Allowances may be based on individual or network-wide purchases of products and services. You assign to us or our designee all of your right, title and interest in and to any and all such Allowances and authorize us or our designee to collect and retain any or all such Allowances without restriction (unless otherwise prohibited by the supplier). We may use all amounts so received for any purpose we and our affiliates deem appropriate.

During our last fiscal year that ended December 31, 2025, we did not receive any Allowances from the sale of required products and services to our Affiliates.

Miscellaneous

One or more of our officers listed in Item 2 of this disclosure document have an ownership interest in us and our Related Parties, Proper Rate, OriginPoint, and At Development, Suburban Jungle, and K converse.

We estimate that required purchases described above will be approximately 50-70% of all purchases and leases by you of goods and services to establish your Business, and approximately 30-50% of your total cost of operating the Business.

We do not have any purchasing or distribution co-operatives as of the issuance date of this Franchise Disclosure Document. We may negotiate purchase arrangements with designated and approved suppliers for the benefit of our Affiliates. We do not provide material benefits, such as renewing or granting additional licenses to Affiliates, based on their use of designated or Approved Suppliers or purchases of particular products or services.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

KEY:

- License Agreement
- Additional Office Addendum

Exhibit C
Exhibit D

Obligations of Franchisee	Sections in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 1.1 and 5.2 of the License Agreement Section 1 of the Additional Office Addendum	Items 6, 7, 11 and 12
b. Pre-opening purchases/leases	Section 5.1 of the License Agreement	Items 7 and 8
c. Site development and other pre-opening requirements	Section 5.2 of the License Agreement Section 1 of the Additional Office Addendum	Items 6, 7, 8 and 11
d. Initial and ongoing training	Section 4 of the License Agreement	Items 11 and 15
e. Opening	Section 5.3 of the License Agreement Section 1 of the Additional Office Addendum	Items 5, 7 and 11
f. Fees	Sections 3, 4, 7.1, 11.5 and 12.2 of the License Agreement	Items 5, 6, 7, 8 and 11
g. Compliance with standards and policies/Manual	Sections 1.1, 4.9, 5.6 and 5.10 of the License Agreement	Items 7, 8, 9, 11, 13, 14 and 16
h. Trademarks and proprietary information	Section 6 of the License Agreement	Items 13 and 14
i. Restrictions on products/services offered	Section 5.5 of the License Agreement	Items 8, 11 and 16
j. Warranty and customer service requirements	Section 5.8 of the License Agreement	Items 6, 11 and 1
k. Territorial development and sales quotas	Section 1.4 of the License Agreement	Item 12
l. Ongoing product/service purchases	Sections 5.5, 5.6, 5.9 and 5.10 of the License Agreement	Item 8

Obligations of Franchisee	Sections in Agreement	Disclosure Document Item
m. Maintenance, appearance & remodeling requirements	Sections 5.2 and 5.13 of the License Agreement	Items 6, 7 and 12
n. Insurance	Section 5.16 of the License Agreement	Items 6 and 8
o. Advertising	Section 7 of the License Agreement	Items 8 and 11
p. Indemnification	Section 12.3 of the License Agreement	Item 6
q. Owner's participation/management/staffing	Section 5.4, 12.2 and 20.1 of the License Agreement	Items 11 and 15
r. Records and reports	Section 9 of the License Agreement	Items 6, 8, 11 and 17
s. Inspections and Audits	Section 9 of the License Agreement	Items 6, 11 and 17
t. Transfer	Section 14 of the License Agreement	Items 6, 11 and 17
u. Renewal	Section 2.2 of the License Agreement	Item 17
v. Post-termination obligations	Section 11 of the License Agreement	Items 15, 16 and 17
w. Non-competition covenants	Section 13.2 of the License Agreement	Items 15, 16 and 17
x. Dispute resolution	Section 18 of the License Agreement	Item 17 and cover page
y. Guarantee, Indemnification and Acknowledgement of Affiliates' Obligations ^[1]		Item 15

Note to Item 9 table above:

- [1] Each of your "Principal Owners" must sign a Guarantee, Indemnification and Acknowledgement guaranteeing your obligations under the License Agreement.

ITEM 10 FINANCING

Neither we nor any Related Party is obligated to provide you any financing. We or a Related Party, however, have the right to offer you financing to assist with conversion costs or growth opportunities. This financing will be based on several factors, including without limitation, your financial need, credit history, ability to repay, net worth, your business operations, including history of growing your business, and your stability as well as our need for the development of your market area. Depending on these factors, we may offer you financing up to an amount equal to a percentage of the fees we expect to receive from your operations. We have the right to require you to furnish us with financial statements, tax returns and other documents. The

terms of any financing, including the amount, the term of repayment, the amount of principal to be repaid, the amount of interest to be paid (where applicable), the security and other relevant terms are subject to negotiation between the parties as described below.

We or a Related Party primarily offers the financing described below and unless noted below, the financing will be in the form of promissory notes (“Notes”) as set forth in the table below:

Finance Type	Amount Financed	Down Payment	Term	Finance Charges [1]	Payment Terms	Prepay-ment Penalty	Security Required [5]	Liability Upon Default [6]	Loss Of Legal Rights on Default [6]
Conversion Promissory Note [2]	Varies	None	9- 10 years [2]	Only upon a payment default, 18% per annum or the highest rate allowed by law	Equal annual installments with an opportunity for forgiveness of the annual principal installment [3]	None, except no refunds of interest will be paid, which may in effect, result in a prepayment penalty	Personal Guaranty by all persons with any equity interest in franchisee and their spouses; Security Agreement and UCC-1; Pledge of franchisee’s future rights to any rebate	Unpaid Loan/Loss of franchise; acceleration of payments and other remedies available to us under the terms of the Note and the Franchise Agreement	Waive various notice, rights and defenses; confess judgment

Notes to Item 10 table above:

- [1] Except as specified herein, we do not impose finance charges in connection with these financing arrangements except for interest charged upon a payment default in the amount of 18% per annum or the highest rate allowed by law.
- [2] We may offer a Conversion Promissory Note (“CPN”) to assist you in paying certain conversion or opening costs associated with your affiliation with the System or in connection with additional Offices you might acquire or open, which may include costs for signage, materials, advertising and marketing programs, transitional expenses, acquisition opportunities, recruiting or other business-related expenses, provided the funds are used for the Franchise. We may also offer funding to franchisees extending the term of their franchise agreement. If we finance these costs, you must execute a CPN, substantially in the form of Exhibit E-1, a Security Agreement, substantially in the form of Exhibit E-2, and an addendum to your Franchise Agreement reflecting the terms of the CPN and a General Release in the form of Exhibit E as a condition for funding. The CPN provides for an annual opportunity to achieve forgiveness of a portion of the principal upon satisfaction of certain annual Gross Revenues thresholds. In this event, we will reduce the outstanding balance by a specified percentage each year until the CPN is effectively forgiven provided you are: (i) in compliance with your Franchise Agreement and any other agreements with us and our Related Parties, including all Notes; and (ii) you maintain certain levels of annual Gross Revenue. The CPN has a maturity date of 9 years from January 1st of the first full calendar year after execution of the CPN. If your Franchise Agreement expires or otherwise terminates prior to the CPN maturity date, any outstanding unamortized principal balance remaining on the CPN will be owed on the expiration or termination date of your Franchise Agreement. We condition your receipt of the funding on you signing the CPN within 3 months of the grant of funding.

- [3] If you fail to meet the required level of annual Gross Revenue in any calendar year or otherwise fail to meet the requirements for forgiveness under the CPN, we have the right to bill you the agreed upon amount of the annual principal for immediate payment.
- [4] All Notes must be guaranteed by the Franchisee as well as personally guaranteed by all shareholders, partners, interest holders and their respective spouses, as required by us. You must sign a Security Agreement at the time you sign the Franchise Agreement, for all the Business' assets, including after acquired property and we will file a UCC-1 financing statement for the Business' assets with the appropriate state government authority. (See Exhibit E-2)
- [6] For all Notes, the payments are non-refundable. If you are in default under any Note (which includes without limitation defaults under your Franchise Agreement or other agreements with us and our Related Parties) or your Franchise Agreement is otherwise terminated for any reason while any Note is outstanding, all principal and accrued interest payments are accelerated, and you are obligated to pay immediately the entire amount due as well as any collection costs that may be incurred, including court costs and attorneys' fees. Your failure to pay all amounts when due under any Note may constitute: (i) a default under the Franchise Agreement that may lead to termination of the Franchise Agreement; and (ii) a default under other agreements with us or our Related Parties. Under every Note, you waive various notices, rights and defenses, including your rights to diligence, demand, and presentment for payment, notice of nonpayment and protest, and notice of amendments or modifications. You also waive any defense under the statute of limitations and allow that a confessed judgment may be taken against you. (See Exhibits E-1 and E-2.)

We may require you to undergo a six-month operational review of your Franchise prior to the granting of any financing. The review will include a financial analysis, assessment of the use and understanding of our programs, and your adherence to the requirements under the Franchise Agreement.

Except as disclosed above, we do not offer financing that requires you to waive notice, confess judgment or waive a defense against us or the lender, although you may lose your defenses against us and others in a collection action on a Note that is sold or discounted. We have no plans to sell or assign any Note from you or any other franchisee; however, we have the right to do so in the future. Upon any sale or assignment, we will not remain primarily obligated to provide the financial goods or services. We do not guarantee your obligations to third parties.

We have the right to offer various financing programs to help franchisees with agent recruiting or other business-related expenses. We may also offer various financing programs as part of our franchise sales incentive program. We may or may not require you to sign a CPN and have the right to require you to sign a General Release, in the form of Exhibit E, as a condition of financing, whether or not you are required to sign a CPN. Where we grant financial incentives as part of our franchise sales incentive program, other financing may not be available.

If Compass has a lender that provides finance opportunities to franchisees under the Strategic Partnership Program, we or our Related Parties may receive payments from such lender. As of the issuance date of this disclosure document, we and our Related Parties do not receive payments from lenders. See Item 8.

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Obligations. Before you commence operations of your Business, we will:

- **Initial Training.** We provide an initial training program as described below. (License Agreement, Section 4.1).
- **Lease.** We will review and consent to your proposed leases for the Main Office. (License Agreement, Section 5.2(b)).
- **Operations Manual.** We provide access to our confidential manual, which includes IP Owner's Brand Guidelines regarding the use of the Marks (the "Operations Manual"). (License Agreement, Section 4.9).
- **Approved Suppliers.** We may establish and provide a list of Approved Suppliers (which will include written specifications for certain items of equipment, signs, fixtures, opening inventory and supplies in some instances and pre-approved suppliers in other instances). We do not deliver or install any items. (License Agreement, Section 5.6).

During the Operation of the Business. During the term of the License Agreement, we will provide the following support to you:

- **Operational Support.** We may offer assistance with operating problems and issues that you may encounter. (License Agreement, Section 4.4).
- **Ancillary Services.** We or our Related Parties may offer other ancillary services, directly or indirectly, to assist you in operating your Business. However, you are not required to use ancillary services. Ancillary services may include new development consulting and marketing, certain loan brokerage services, escrow services, title searches, and similar products or services related to a real estate brokerage operation, but we will not provide assistance in establishing prices for your Business. These services may not be available in all markets, and we have the right to add, change or discontinue any ancillary service at any time, and we reserve the right to charge our then-current fees for such ancillary services. (License Agreement, Section 4.7).
- **Marketing Support.** Review marketing materials that you propose. (License Agreement, Section 7.2)
- **Software and Computer Systems.** We may specify software and computer systems to assist in the operation of your Business. We or a designee will assist you to obtain the appropriate MLS data feed. (License Agreement, Sections 5.10 and 5.12).
- **Additional Training or Seminars.** Provide additional option and mandatory training and conferences, as described below. (License Agreement, Sections 4.2 – 4.8).
- **Update the Operations Manual.** Periodically provide you with updated and revised materials for the Operations Manuals (License Agreement, Section 4.9).

Site Selection, Time to Open:

We do not generally own the premises for your Main Office or Additional Offices and lease it to you. We must consent to any site you select before you sign a lease for that location. We typically provide you our

consent (or notice that we don't consent) to a proposed site within 14 days of your submission to us of the information required by us on the proposed site. You may not operate your Business from a home office. We may allow you to utilize a co-working or shared office space for a temporary period after you commence operations of the Business; however, this will not likely be a long-term office solution that we consent to for your Business and we may require a separate physical office location for your Main Office.

We consider the following factors when reviewing a proposed site for your Main Office and Additional Offices (if any): (i) residential population, (ii) income levels, (iii) demographics, (iv) competition, (v) visibility, (vi) proximity to other CHRISTIE'S INTERNATIONAL REAL ESTATE offices, (vii) accessibility, (viii) traffic, (ix) size, (x) condition and character, (xi) parking, and (xii) available signage.

If you do not locate a site of which we consent to within 120 days of the date of the License Agreement, we can terminate the License Agreement without any refund to you, or we can allow you more time to locate a site. (License Agreement, Sections 5.2(a) and 5.3).

The typical length of time between the signing of the License Agreement and the opening of your Main Office is 60 and 120 days. You agree to begin operations and commence operations of the Business no later than 120 from the time both parties execute the License Agreement, or we may terminate the License Agreement. Factors that can affect the time length in which to be open for business include: the size and scale of your market, web development timeline, content creation and photography timeline, time needed to secure a location and lease, the time needed to obtain building permits, requirements of local zoning laws and other ordinances, the availability of labor and materials, the time needed to acquire and install furniture, fixtures, and equipment, obtaining broker license(s); hiring and training any staff; and obtaining any needed occupancy permit. You shall have 90 days from the date of the License Agreement to install all outdoor and indoor office signs with your Business name utilizing the Marks. (License Agreement, Section 5.3)

Advertising Program:

Our Obligation to Conduct Advertising. We may advise you in the conduct of advertising or conduct advertising ourselves using online, radio, television, direct mail, print or other advertising. We may use local, regional, or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the geographic area where you will be located.

Website. We shall mutually determine the URL extension and location-specific office name for your Business, if any. You must utilize an approved, professional photographer and/or videographer to capture imagery for your Business's website. Your Business's photography needs will be determined in conjunction with us as we develop content for the website, you will license to us access to the photos and a license to use them. You will be responsible for all website hosting and related fees that we or you incur on behalf of your Business. (License Agreement, Section 7.4).

Private Websites. You are not allowed to have an independent website or obtain or use any domain name (internet address) for your Business, without first obtaining our written approval. (License Agreement, Section 7.4). If we permit you to maintain an independent website for your Business, you must comply with the policies that we establish from time to time regarding such website which include, but are not limited to, the Brand Guidelines that are contained in the Operations Manual. You must not register as internet domain names, any of the Marks or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar.

Digital Marketing. All digital marketing must comply with our social media policy in the Brand Guidelines that are contained in the Operations Manual. We also reserve, maintain, and control all rights with respect to the metaverse. As used herein, "metaverse" means any 3D virtual space powered by

technologies – including virtual reality, augmented reality, artificial intelligence, the Internet of Things, and blockchain – that allows people to interact with each other and to have lifelike experiences online.

Digital Campaigns. We may negotiate contracts with vendors such as realtor.com, Zillow, Trulia, and Google AdWords. If you choose to participate, you must pay your pro-rata share either directly to the vendor or reimburse us if we are paying the vendor. (License Agreement, Section 7.6).

Print Design and Marketing Collateral. We may, but are not required to, create print collateral and publications. We may provide you with access to a variety of print design files, including but not limited to letterhead, envelopes, notecards, property brochures, print advertising, post cards, business cards, and For Sale signage and sign riders. We may provide you with access to print marketing templates for company-wide marketing and branding. If requested, we may assist with the customization of standard, brokerage-wide print advertisements and printed pieces for each market. We may also offer certain enhanced marketing programs from time to time, at our option. (License Agreement, Section 7.7).

Signs. You must begin using yard signs containing our Marks within 90 days from the date of the License Agreement. You must install one (1) or more exterior signs displaying your Trade Name on your Main Office and any Additional Offices. Your sign(s) must conform to the Brand Guidelines. The sign(s) utilizing our Marks must be installed within ninety (90) days from the date of the License Agreement. You must obtain our prior written permission for any exception to the office sign requirements due to local ordinances or other reasons and you must provide written documentation reflecting the reasons for varying the signage (License Agreement, Sections 5.1 and 7.10).

Use of Your Own Advertising Material. You may use your own advertising materials provided that you submit them to us and we approve them, in writing, or they adhere to our Operations Manual and other guidelines, and the material adheres to federal, state, and local law. If our written approval is not received within 14 days from the date we received the material, the material is deemed disapproved. (License Agreement, Section 7.2).

Advertising Council, Cooperative. We do not have an advertising council or cooperative.

Advertising Fund. We do not currently have an Advertising Fund, and we have no current plans to establish one. However, in the future, we reserve the right to require you to pay a monthly Advertising Fund Fee for deposit into a system marketing fund (the “Advertising Fund”). We may increase the Advertising Fund Fee at any time; however, the Advertising Fund Fee will not exceed 3% of Gross Revenue. If collected, you will pay the Advertising Fund Fee in the same manner and at the same time as the Royalty Fee. If collected, we will place all Advertising Fund Fees we receive in the Advertising Fund and we will manage such Advertising Fund. Any Businesses operated by us or our Related Parties will not be required to contribute to the Advertising Fund. The Advertising Fund will pay expenses in connection with the general promotion of the Marks and the System, which may include, but are not limited to, the development and operation of a call center; market research; customer retention; incentive programs; sales development programs; media planning; media buying fees; creating and producing advertising materials; outside advertising agency fees for creating advertising programs; public relation activities; outside public relations agency fees; technology investments; digital marketing; and reimbursing us the costs of administering the Advertising Fund. Additionally, we may use up to 10% of the Advertising Fund to solicit new franchise sales.

The Advertising Fund will not be a trust or escrow account, and we have no fiduciary obligations regarding the Advertising Fund. We cannot ensure that any individual Affiliate will benefit directly or on a pro rata basis from the future placement of any such advertising in its local market. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the Advertising Fund in that year. We will determine the methods of advertising, media employed, and scope, contents, terms and conditions of

advertising, marketing, promotional and public relations campaigns and programs. Upon written request, we will provide you an annual unaudited statement of the receipts and disbursements of the Advertising Fund for the most recent calendar year. We do not intend to audit the Advertising Fund. Any end-of-year surpluses or shortages in the Advertising Fund in a given year will carry over to the next year.

In our last fiscal year ending December 31, 2025, we did not collect or spend any Advertising Fund Fees.

Computer Systems:

We require you to have an internet connection, email, a laptop or desktop computer, a printer, a scanner, along with basic editing and spreadsheet software. You may be required to use our web-based proprietary software to operate your real estate brokerage business, and you must pay us for the use of the proprietary software.

Our proprietary software consists of a proprietary suite of integrated technology applications that enable end-to-end management of the client relationship and real estate transaction for agents. Core applications within proprietary software include a CRM; DMS (Deal Management System); internal communications app; marketing tools for e-mail, social media, print collateral, signage and digital advertising; a Digital CMA (Comparative Market Analysis); an open house management software; and a web-based presentations app with back-end analytics for presenting and following up on offers and other critical communications.

You must ensure that any technology you use in connection with the Business, includes and maintains appropriate data security controls, and complies with our data security policies, which may be designated in our Operations Manual or otherwise by us from time to time, which include, but are not limited to, the following: (i) authentication mechanisms designed so that they cannot be bypassed to gain unauthorized access to systems, (ii) encryption; and (iii) undertaking password protection measures, such as protecting the form in which they are stored and complexity of character classes and password length.

You are required to provide us with an approved data feed from your MLS(s) that enables us, our affiliates, you and your agents to display listings on the internet for consumers to view online. We may utilize this data feed for any reason, within the rules of the relevant MLS(s) or data feed providers, to run additional reports, aggregate information, track trends, or for any other allowed internal or public-facing marketing or data tracking initiative. You understand that if you fail to provide us with the information from your MLS, then you may not receive certain services or access to certain tools of the Computer System, including proprietary software. Therefore, in order to access all services and tools under the Computer System, you must provide us with the approved data feed from your MLS.

There may be fees—both initial and ongoing—associated with receiving and maintaining this data feed. Such fees are based on local MLS rules and may vary by MLS, and we anticipate your fees may range from \$250 to \$10,000 for initial fees and \$100 and \$2,500 for ongoing fees. You will be solely responsible for these fees.

We may offer additional technology tools, processes, or systems related to our technology offering that, should you elect to participate, may require you or your agents to contract with third-party service providers for additional fees, which you agree to pay. Likewise, we may integrate some third-party technology systems and services into our technology offering within the software. In order to utilize some of the functionality of the proprietary software, you or your agents may be required to contract with 3rd party software providers and pay additional fees, or we may implement those additional technology tools, processes, or systems, and you will be responsible for paying additional fees related to those implementations.

The capabilities of the services that we offer via the proprietary software may vary to each Affiliate based on MLS rules, data feed restrictions, state and local laws or any other restrictions that may arise.

Depending on what computer systems and software you already have, and the number and type of equipment you will need, these items can be purchased for approximately \$2,500 to \$10,000.

Neither we nor our affiliates or any third-party have any obligation to provide ongoing maintenance, repairs, upgrades or updates. You must maintain your computer systems in good working order and must replace, update or upgrade your hardware systems as we require. The estimated annual cost of optional or required maintenance, updating, upgrading, or support contracts to your computer systems is approximately \$1,000.

Since technology, particularly in the real estate brokerage business is changing, we reserve the right to require businesses operating under the System and Marks, including your Business, to change technology systems, or implement new or changed technologies, and you would be required to pay the initial, conversion, and ongoing fees and costs associated with those changes, which payments may be to us or to third parties.

Anti-virus protection. You must use anti-virus protection on your computer. At present, we do not specify a particular vendor, but reserve the right to do so.

Independent Access to Information. You are required to provide us with independent access to the information that will be generated or stored in your Computer Systems, which includes, but not limited to, certain operational information we require in the Operations Manual. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Business and any other operations taking place through your Business. If, as part of a review of your Business, we request a copy of any business records, you must send us at your expense these records within five days of receiving our request.

Operations Manual:

Exhibit I contains the Table of Contents to the Operations Manual along with the page count per chapter. The total page count of the Operations Manual is 80 pages.

Initial Training Program:

TRAINING PROGRAM			
Subject	Hours of Classroom Training	Hours of On the Job Training ^[1]	Location*
Team Introduction, Roles, and Support	0.5	-	Chicago, IL
Opening and Converting your Main Office	1.0	-	Chicago, IL
Marketing and Advertising Strategies	1.0	-	Chicago, IL
Social Media and Public Relations	0.5	-	Chicago, IL
Brand and Branding Guidelines	1.0	-	Chicago, IL
Proprietary Software	4.0	-	Chicago, IL
Recruitment and Retention of Agents	1.0	-	Chicago, IL
Training, Mentorship, and Onboarding	1.0	-	Chicago, IL
Building and Maintaining Culture	0.5	-	Chicago, IL
Training and Coaching Program	0.5	-	Chicago, IL
Opening the Main Office	0.5	-	Chicago, IL
Relocation	0.5	-	Chicago, IL
Financial and Reporting Processes	0.5	-	Chicago, IL
Working with the CHRISTIE'S INTERNATIONAL REAL ESTATE Team - Expectations and Roles	0.5	-	Chicago, IL
Total	13 hours	0 hours	

[1] We do not provide on the job training.

We intend to hold initial training classes quarterly, or more often if necessary, at our headquarters in Chicago, Illinois, another location that we designate, or virtually over the internet.

The following Instructors teach our initial training program: Michael Golden, Thaddeus Wong, and Joni Meyerowitz. Guest Instructors may also make select presentations. Item 2 sets forth the nature of the instructor's experience for Michael Golden and Thaddeus Wong. Our other instructors of the initial training program include the following:

Joni Meyerowitz, Chief Operating Officer. Ms. Meyerowitz has served as the Chief Operating Officer of At World Franchising, LLC since July 2020. Ms. Meyerowitz also serves as the Chief Operating Officer to At World Properties, LLC in Chicago, Illinois, and she has held this role since November 2010.

The instructors' length of experience in the field and with us is shown in the following chart:

Instructor	Years of Experience in the Field
Michael Golden	30
Thaddeus Wong	30
Joni Meyerowitz	25

We have the right to require, in our discretion, that your Designated Owner, Office Broker, Marketing Director, and Training/Agent Support Director of the Main and Additional Offices (hereinafter referred to as "Trainees") attend and complete, to our satisfaction, our then-current initial training program. We do not charge for the Trainees to attend initial training, but you are responsible for travel, lodging, transportation, meal costs, and your employees' wages to attend initial training. The Trainees must successfully complete the initial training program to our satisfaction before you may open your Business.

We reserve the right to require any additional personnel to addend our initial training program, at our then-current additional training fee (which is currently \$500 per day per attendee).

We will advise you after initial training if you have successfully completed the course.

Additional Training or Seminars. We also will conduct ongoing education courses, seminars or conferences either online, at our corporate office, in your area or elsewhere, although we have the right to determine if and when these courses may be offered, as well as their duration and content. You must pay for any fees we charge per our then current schedule of charges, which can vary over time (which is currently \$500 per day per attendee). You must also pay your costs of transportation, lodging, meals and other expenses. Your attendance at these courses is voluntary. Through our learning platform, we also intend to provide programs which we encourage you and your independent sales associates to complete. We may make available, online learning materials for your use.

Annual Conference. You must attend any annual conference or conference that we sponsor or designate. You must pay to us our then-current Annual Conference Fee and you are responsible for all travel and living expenses. If you fail to attend the annual conference without our prior written consent, you must pay our then-current fee for two people for failing to attend the conference.

ITEM 12 TERRITORY

Your Main Office and Any Additional Offices

The physical address of your Business (the "Main Office") must be approved by us in writing before you can begin to operate your Business. Your Main Office will be identified in Exhibit 1 of the License Agreement.

You may open additional offices (each, an "Additional Office") as listed in Exhibit 1 of the License Agreement, or as needed, so long as we receive prior written notification before you enter into any binding agreement to lease, purchase, or otherwise occupy the Additional Office. We reserve the right to reject the location of your anticipated Additional Office. If we approve your proposed Additional Office, you must execute the Additional Office Addendum.

You may not relocate your Main Office or Additional Office without our prior written consent. We consider the following factors when reviewing your initial proposed site for your Main Office or Additional Office, and any request for relocation: (i) residential population, (ii) income levels, (iii) demographics, (iv) competition, (v) visibility, (vi) proximity to other CHRISTIE'S INTERNATIONAL REAL ESTATE offices, (vii) accessibility, (viii) traffic, (ix) size, (x) condition and character, (xi) parking, and (xii) available signage.

Territory - Protected Territories and Non-Exclusive Territories

Protected Territories

Your License Agreement will indicate whether you have a "Protected Territory." In cases where we grant a Protected Territory, there is no "minimum" Protected Territory, and you and we will agree upon a Protected Territory to designate. The Protected Territory will typically be a list of counties, zip codes, or other geographical designations, which will be designated in the License Agreement. If we grant you a Protected Territory, your Main Office and any Additional Offices must be located within the Protected Territory.

If we grant you a Protected Territory, we will not establish and operate a company owned brokerage location, or grant licenses or franchises to others to establish and operate, any other office of a CHRISTIE'S INTERNATIONAL REAL ESTATE Business within the Protected Territory during the term of the License Agreement, as long as you are in compliance with the License Agreement.

Non-Exclusive or Not Protected Territories

If the License Agreement does not designate a Protected Territory, then the License Agreement does not grant you a territory or any territorial protection. In that case, your right to operate a Business pursuant to a License Agreement is limited solely to the Main Office and any Additional Offices, although your affiliated real estate agents may offer and sell their real estate services anywhere they are licensed.

Operations Within and Outside of the Territory

The franchise granted to you under the License Agreement is personal in nature, and shall only be used from the Main Office and any Additional Office authorized by us. However, you shall have the right to offer and sell real estate brokerage services identified by the Marks through any other channels of distribution, including the Internet (subject to the restrictions in the License Agreement, Operations Manual, and our policies). Your Protected Territory does not include the metaverse, and we reserve, maintain, and control all rights with respect to the metaverse.

Your right to offer and sell real estate brokerage services under the License Agreement is subject to the limitations set forth in the Operations Manual or as we otherwise periodically prescribe, which may include certain territorial policies that we establish or modify from time to time. You may not establish or operate any CHRISTIE'S INTERNATIONAL REAL ESTATE office outside the Protected Territory, unless we permit you to do so under a separate Broker Affiliate License Agreement. You are not granted any options or rights to acquire additional franchises. You may not subfranchise or sublicense any of your rights under the License Agreement. We and our affiliates, and our and their respective licensees, franchisees, and Affiliates, as well as our agents and the agents of any of these parties, have the right (without compensation to you) to offer and sell real estate brokerage services under the Marks to clients located within the Protected Territory and for real estate located within the Protected Territory, as long as the real estate brokerage services are offered and sold from offices of CHRISTIE'S INTERNATIONAL REAL ESTATE businesses outside of the Protected Territory. In turn, you and your agents have the right to offer and sell real estate brokerage services under the Marks to clients located outside the Protected Territory and for real estate

located outside the Protected Territory but only inside the United States (including Puerto Rico, the U.S. Virgin Islands, and other U.S. territories), as its borders exist on the Effective Date, so long as those real estate brokerage services are offered and sold from the Main Office and any authorized Additional Office. The following additional limitations exist: (1) your rights outside your Protected Territory may be limited based on territorial grants or protections that we or our affiliates have granted to other Affiliates or other third parties, and (2) the scope of your rights outside of your Protected Territory may be modified by us from time to time, and are subject to the territorial policies that we establish or modify from time to time in the Operations Manual. You do not have any right to exclude, control or impose conditions on our development of future licensed, franchised, company or affiliate-owned CHRISTIE'S INTERNATIONAL REAL ESTATE businesses, or other company owned businesses at any time or at any location.

If you and your agents are licensed, as prescribed by law, to provide real estate brokerage services in an area where another licensee, franchisee or Affiliate has been granted a protected territory by us ("Other Area") but their grant does not prevent others from offering real estate brokerage services under the Marks in the Other Area, so long as you do not exceed 5% of your inventory (as measured by the number of properties) at any given time, you may list properties for sale using the Marks in the Other Area so long as they are listed from your Main Office or Additional Office. If your properties listed in the Other Area exceeds 5% of your inventory and, upon notice from us, you do not cease such listings promptly, you will be in default, and we can terminate the Agreement. Conversely, to the extent another licensee, franchisee, Affiliate, or its agents, are licensed as prescribed by law, to provide real estate brokerage services in your Protected Territory, we will use commercially reasonable efforts to limit such party from listing more than 5% of its inventory of properties using the Marks in your Protected Territory, assuming such party has not been granted unlimited rights by us. However, we have no obligation to enforce this against such other parties.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Our Reserved Rights

We reserve (for ourselves and our affiliates) reserve all rights to engage in all activities associated with CHRISTIES INTERNATIONAL REAL ESTATE Marks, and all rights to engage in any business, licensing, franchising, or other activities associated with other brands, marks, and real estate brokerage systems, anywhere in the world, not specifically granted to you under the License Agreement or expressly prohibited under the License Agreement, or expressly prohibited from us engaging in under the License Agreement. Without limiting the preceding sentence, we (for ourselves and our affiliates) specifically reserve the right, from any location at any time, without any compensation to you or any other Affiliate and regardless of whether it competes with the Business, the following rights:

(a) To own and operate, and grant licenses or franchises to others to own and operate, CHRISTIE'S INTERNATIONAL REAL ESTATE offices outside of the Protected Territory;

(b) To own and operate, and grant licenses or franchises to others to own and operate, any business of any kind (other than an office located within your Protected Territory selling the same services as a CHRISTIE'S INTERNATIONAL REAL ESTATE businesses) under the Marks at any locations within or outside of your Protected Territory, including by electronic means such as the Internet, applications, by websites we may establish, catalog sales, telemarketing, or other direct marketing sales;

(c) To own and operate, and grant licenses or franchises to others to own and operate, any business of any kind, including a real estate business selling the same or similar services as CHRISTIE'S INTERNATIONAL REAL ESTATE businesses, under any names, trademarks, service marks, logos and

other commercial symbols other than the Marks, regardless of where such businesses are located, including within the Protected Territory;

(d) To merge with, acquire, be acquired by, or become associated with any businesses that are the same or similar to a CHRISTIE'S INTERNATIONAL REAL ESTATE businesses and operate or license others to operate such businesses regardless of where the businesses are located, including within the Protected Territory, and to be acquired by any third party that operates businesses that are the same or similar to CHRISTIE'S INTERNATIONAL REAL ESTATE businesses regardless of where such businesses are located, including within the Protected Territory;

(e) to promote, sell, and distribute products, items, and other materials under the Marks or other trademarks through dissimilar channels of distribution (i.e., other than the operation of a CHRISTIE'S INTERNATIONAL REAL ESTATE office within the Protected Territory), including by electronic means such as the Internet, applications, by websites we may establish, catalog sales, telemarketing, or other direct marketing sales;

(f) To advertise the System anywhere, including, without limitation, on the Internet (or any other existing or future form of electronic commerce) and to create, operate, maintain, and modify, or discontinue the use of a website or any online presence using the Marks; and

(g) to engage in all other activities associated with the CHRISTIES INTERNATIONAL REAL ESTATE Marks not expressly prohibited under the License Agreement.

As indicated above, if the License Agreement does not designate a Protected Territory, then you have no territorial protection, we reserve all rights, and we and other Affiliates may operate real estate brokerages or other businesses under the CHRISTIE'S INTERNATIONAL REAL ESTATE mark anywhere.

Minimum Performance Requirement

Your rights under the License Agreement are dependent on you achieving the minimum performance requirements identified on Exhibit 1 to the License Agreement (referred to as the "Minimum Performance Requirement"). If you fail to satisfy the Minimum Performance Requirement during the term of the License Agreement, we have the right, but are not required, to terminate the License Agreement, or, in lieu of termination, modify or rescind any such territorial or protected rights. The Minimum Performance Requirements are determined when we consider a number of factors, including your experience, the area you plan to operate your Business, the number of agents affiliated with you, and other factors we may solely determine.

For Affiliates who are converting an existing real estate business to Business, the Minimum Performance Requirement is equal to a minimum amount of Gross Revenues that is designated in the License Agreement.

You are required to comply with the programs, policies, and procedures that we designate with regard to client referrals from time to time, which may be modified, suspended, or augmented from time to time at our option. If we do not have any referral programs, policies, or procedures in place at the time that you communicate with a client referral, and except as otherwise permitted by us, you are required to direct any client referrals to other Affiliates. If, at the time during the term of the License Agreement, you are a member of an affiliation approved by us, and are required by said affiliation to comply with its programs, policies, and procedures, then you may continue to abide by those approved membership agreements. As of the date of the License Agreement, you will list any third-party affiliations that you are currently a member of on Exhibit 6 to the License Agreement. For any additional, subsequent, or substitute affiliations that you may wish to join, you must secure our approval in advance, and we will update Exhibit 6.

Our Affiliated Companies

As disclosed in Item 1, through common ownership, we are affiliated with @properties, which is a Real Estate Affiliate. We share a principal place of business with @properties, located at 806 N. Peoria St., Chicago, IL 60642. At World Franchising, LLC offers and sells real estate brokerage franchises under the “@properties” trademarks. @properties franchisees and company-owned brokerages may solicit or accept orders anywhere they are permitted under their franchise agreements, which may include the geographic area you operate your Business. In addition, our parent, Compass, directly and through various subsidiaries and affiliates (some of which previously offered franchises), is a residential real estate brokerage firm, operating in over 95 markets in the United States with over 400 offices and over 33,000 agents (referred in this disclosure document as the Compass Brokerage).

At any time, we (subject to any Protected Territory rights you may have), and our Related Parties have the right, without compensation to you, to own, operate, franchise or license others to operate real estate brokerage businesses, including without limitation CHRISTIE’S INTERNATIONAL REAL ESTATE offices, and other businesses anywhere within or outside the market area where your Office(s) are located, including locations in immediate proximity to your Office(s). The Real Estate Affiliates operate and grant franchises for the operation of similar real estate brokerage businesses that operate under the Better Homes and Gardens® Real Estate, Coldwell Banker®, Coldwell Banker Commercial®, CENTURY 21®, Sotheby’s International Realty®, ERA®, Corcoran®, “@properties,” “COMPASS,” “WASHINGTON FINE PROPERTIES,” AND “LATTER AND BLUM” service marks. Other than these brands, Compass and its subsidiaries and affiliates do not grant franchises, but its affiliated agents may operate and offer and sell real estate, including soliciting and accepting clients to buy and sell real estate, throughout the United States (subject to state and local real estate licensing laws), and this may include the area in which you operate. We do not resolve conflicts between our franchisees, or between our franchisees and franchisees of the Real Estate Affiliates regarding territory, customers and franchisor support.

Anywhere Advisors currently operates real estate brokerage businesses under the Coldwell Banker®, Coldwell Banker Commercial® and Sotheby’s International Realty® service marks. NRT NY currently operates real estate brokerage businesses under Corcoran® and Corcoran Sunshine® service marks. There is no restriction under the License Agreement that prevents us (subject to any Protected Territory rights you may have), the Real Estate Affiliates, Anywhere Advisors, NRT NY or any other present or future Related Party from owning, operating, franchising or licensing others to operate, real estate brokerages or other businesses under the Better Homes and Gardens® Real Estate, Coldwell Banker®, Coldwell Banker Commercial®, CENTURY 21®, Sotheby’s International Realty®, ERA®, Corcoran®, “@properties,” “CHRISTIE’S INTERNATIONAL REAL ESTATE,” “COMPASS,” “WASHINGTON FINE PROPERTIES,” AND “LATTER AND BLUM” service marks, or any other service marks, anywhere within or outside your market area.

Except for any statutory limitations, there are no restrictions on us or our affiliates, or our affiliates’ franchisees, that would prevent us or our affiliates, or our or our affiliates’ franchisees from accepting, clients or listings. You are not entitled to receive any compensation from us or others for any business generated by us or our affiliates, or our or our affiliates’ franchisees, from clients in any market area, including clients in your market area. Further, we and our affiliates have the right to use and allow our and our affiliates’ franchisees to use, without any compensation to you, alternative channels of distribution, including the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales anywhere using the Marks or any other service marks.

ITEM 13 TRADEMARKS

The License Agreement grants you the right to use the following principal trademarks (“Marks”), one of which has been registered or applied for with the U.S. Patent and Trademark Office (“USPTO”):

Principal Trademarks	Registration/ Serial Number	Registration/ Filing Date	Principal or Supplemental Register
CHRISTIE’S (Licensed for use with the words “International Real Estate”)	6634996 (Registration Number)	February 8, 2022 (Registration Date)	Principal
CHRISTIE’S INTERNATIONAL REAL ESTATE	No application filed.*	N/A	N/A
CHRISTIE’S INTERNATIONAL REAL ESTATE	No application filed.*	N/A	N/A

*We and IP owner do not have a federal registration for two of our principal trademarks described above and marked with an asterisk. Therefore, these two trademarks do not have as many legal benefits and rights as a federally registered trademark. If our (or IP Owner’s) right to use these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Christie, Manson & Woods, Limited, our former affiliate, owns the trademarks set forth above (“IP Owner”), which are our principal Marks. IP Owner licenses these Marks to At World Properties, LLC (our “Parent,” as described in Item 1) pursuant to a Trademark License Agreement dated November 16, 2020 (the “Trademark License Agreement”). The term of the Trademark License Agreement is 50 years, with two 25-year renewal options. The Trademark License Agreement provides us the exclusive right to use these Marks in connection with the marketing, sale or lease of luxury real estate and in connection with this licensing program. IP Owner may terminate the Trademark License Agreement if we breach and fail to cure or reasonably mitigate a material term of the agreement within 60 days; if we or IP Owner experiences a bankruptcy event; if certain of our interests or assets are acquired by a competitor; if we cease offering products or services using the Marks for a period of 6 months; if we cease to conduct our business; if we are otherwise liquidated or dissolved; if there is a material breach by us of the Right of First Offer agreement that was executed on the same date as the Trademark License Agreement; if we fail to meet certain performance metrics pertaining to number of offices and fees paid to IP Owner; or if IP Owner, the Marks, or the goodwill associated therewith are materially tarnished, damaged or diminished and that tarnishment, damage or diminishment, which was not caused by a breach of the Trademark License Agreement, damages our business, etc., as further described in the Trademark License Agreement. If the Trademark License Agreement is terminated or expires, you could lose the right to use the trademarks licensed to us under the Trademark License Agreement, subject to the discussion in the following paragraph.

If the Trademark License Agreement terminates, your right to use the Marks will continue for the length of the term of your License Agreement, but not longer than 10 years. Upon termination of the Trademark License Agreement, and in other certain circumstances described in the Trademark License Agreement, including certain defaults by us, IP Owner has the right to step into certain of our rights under the Trademark License Agreement and under your License Agreement with us, including those rights pertaining to your use of the Marks.

The Trademark License Agreement contains significant restrictions on our and your uses of the Marks. These are generally set forth in the License Agreement and in our Operations Manual (which includes IP

Owner's Brand Guidelines). For instance, you are not permitted to use any Marks that consist of or incorporate "CHRISTIE'S" in any manner other than in the phrase "CHRISTIE'S INTERNATIONAL REAL ESTATE." In addition, you are required to market, hold out and otherwise position the Marks as a leading luxury brand, and you must not market, hold out or otherwise position any other trademarks or other commercial symbols as being associated with additional or more luxury real estate brokerage services, or additional or more luxury real estate properties than those offered, marketed or sold under the Marks. You must use the Marks in combination with your marks, which will be set forth in Section 7 of Exhibit 1 of the License Agreement. Further, you must only sell "luxury" real estate and maintain an average selling price for properties that we designate from time to time, as further described in the Operations Manual, which definitions of, and formulas for calculating, "luxury real estate" are prescribed by IP Owner in the Trademark License Agreement. The Trademark License Agreement is confidential between us and IP Owner. You may designate properties as "luxury real estate" based on your market and relevant market and competitive issues; provided however, that we have the right to require you to remove such designations in our sole discretion.

Based on our review of the USPTO's website, IP Owner has filed all required affidavits and renewals.

To our knowledge, there are currently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by the franchisor. To our knowledge, there is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

You must follow our standards when you use the Marks, as well as the standards set forth in the Trademark License Agreement. You may not use the Marks as part of your corporate, partnership or limited liability company name, nor may you modify words, designs, symbols, or colors either alone or in combination with other words or logos, as part of any Mark or on any Internet URL address or domain name. You may not use the Marks in connection with the sale of an unauthorized products or services. You may use the Marks on the Internet only as we specifically authorize in the License Agreement or in the Operations Manual. Upon written notice, you must modify or stop using the Marks within 10 days of receiving written notice and, at your sole cost and expense, must promptly begin using such additional, modified or substituted Marks, and you are solely responsible for all related costs.

We are not party to any agreements that limit our rights to use, or license the use of, the Marks. However, the Trademark License Agreement described above does significantly limit our rights to use, or license the use of, the Marks. We are not aware of any other superior prior rights or infringing uses that could materially affect your use of the Marks.

If a suit in equity or action at law is brought against you and/or us alleging that you and/or we have no right to use any of the Marks used to identify the Business, we will assume, with your cooperation, the defense of the suit or action. Our trademark counsel will control and coordinate the defense. We will bear all costs of the defense, and we retain the right to any money we may be awarded in any such defense. If the Marks are being used by an unlicensed party and you ask us to protect or enforce your rights to the Marks, we will take the action we deem appropriate with your cooperation. Our trademark counsel will control and coordinate the action. We will bear all costs of the action, and we retain the right to any money we may be awarded in any such action. You must not directly or indirectly contest our right to the Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not currently hold any patents. We claim a copyright to our Operations Manual, the proprietary software, all marketing materials, website text, other printed material, although we have not presently filed

a registration of those copyrights. We consider all of these items confidential and proprietary. Upon termination of your License Agreement, you must return to us our Operations Manuals and any confidential information.

You must not, directly or indirectly disclose, publish, disseminate, or use our Confidential Information except as authorized under the License Agreement. You may use our Confidential Information to perform your obligations under the License Agreement, but in doing so you will only allow dissemination of our Confidential Information on a need-to-know basis and only to those individuals that have been informed of the proprietary and confidential nature of such Confidential Information. We may share performance data of your Business between us, our employees and affiliates, our Affiliates and their employees. You agree to keep such performance data confidential.

We own certain trade secrets and Confidential Information. “Confidential Information” means the methods, techniques, information, data, formats, marketing and promotional techniques and procedures, specifications, information, systems, software, and knowledge of and experience in operating and franchising Businesses that we communicate to you or that you otherwise acquire in operating the Business under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by you. “Customer Data” means any and all information about prospective, current, and former customers of the Business, including, but not limited to, name, telephone number, address and email address. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through direct or indirect disclosure (whether deliberate or inadvertent) by you. For the avoidance of doubt, any customer or referral lists and information in part or in whole, including the Customer Data, are included in Confidential Information, even if parts of the lists or information are generally known to the public.

You will not acquire any interest in the Confidential Information, other than the right to use it in developing and operating the Business pursuant to the License Agreement. The use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. The Confidential Information is proprietary, is our trade secret, and is disclosed to you solely on the condition that you agree that you: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of the License Agreement; (3) will not make unauthorized copies of any Confidential Information disclosed in written form; (4) will adopt and implement all reasonable procedures we direct to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Business employees; (5) will require all managers and other employees with access to Confidential Information to sign such an agreement in a form we approve; and (6) will not disclose the terms of the License Agreement other than to your direct employees on an as-needed basis.

The restrictions on your disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent you are legally compelled to disclose this information, if you use your best efforts to maintain the confidential treatment of the Confidential Information, and provide us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be so disclosed. In addition, notwithstanding anything in the License Agreement to the contrary, you may, in accordance with any applicable law, including the federal Defend Trade Secrets Act, disclose Confidential, including our trade secrets, (a) in confidence, to federal, state, or local government officials, or to your attorney, for the sole purpose of reporting or investigating a suspected violation of law; or (b) in a document filed in a lawsuit or other legal proceeding, but only if the filing is made under seal and protected from public disclosure.

All persons affiliated with you, including the Principal Owners, Designated Owner, Office Broker(s), and all others that have access to the Confidential Information, must sign a confidentiality agreement before

you grant them access to any Confidential Information. The current form of Confidentiality Agreement is attached as Exhibit 5 to the License Agreement. Upon termination of your License Agreement, you must return to us our Operations Manuals and all Confidential Information.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

We recommend that you operate as a business entity.

You must designate one Principal Owner as the “Designated Owner” who: (i) is the primary Principal Owner responsible for your Business communications with us; (ii) has authority over all transactions and dealings related to your Business; and (iii) has the power to create binding agreements with us. The Designated Owner must operate the Business on a full-time basis.

The Designated Owner must be a broker to hold all necessary real estate licenses and to supervise all real estate activities and transactions handled by the Business (also known as the “Responsible Broker”).

You must appoint a manager that will be responsible for the on-premises supervision of your Main Office at all times (the “Office Broker”). If your Business operates one or more Additional Offices, you must appoint an Office Broker for each Approve Office. The Designated Owner and an Office Broker may be the same individual and they need not own any interest in your company.

The Responsible Broker and each Office Broker must be in good standing with the local association or board of Realtors and also the state and national board of Realtors. Your Designated Owner, Office Broker, Marketing Director, and Training/Agent Support Director of the Main and Additional Offices must attend and complete, to our satisfaction, the initial training program. The Responsible Broker, Office Broker, Office Manager and any other employees or affiliates with access to the Confidential Information must sign a confidentiality agreement in a form we approve (currently Exhibit 5 to the License Agreement and in the Operations Manual).

A “Principal Owner” is any person or entity who, directly or indirectly, owns a 5% or greater interest in the Affiliate. If any corporation or other entity other than a partnership is a Principal Owner, a “Principal Owner” also will mean a shareholder or owner of a 5% or greater interest in such corporation or other entity. If a partnership is a Principal Owner, a “Principal Owner” also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a 5% or greater interest in such general partner.

Each of your Principal Owners must guarantee your obligations under the License Agreement by signing our then-current form of guaranty agreement, which is currently attached as Exhibit 3 to the License Agreement (the “Guaranty Agreement”). If any corporation or other entity other than a partnership is a Principal Owner, a “Principal Owner” also will mean a shareholder or owner of a 5% or greater interest in such corporation or other entity. If a partnership is a Principal Owner, a “Principal Owner” also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a 5% or greater interest in such general partner. If no individual owns 5% or greater interest in you at any time, then each owner will be considered a Principal Owner and will be required to sign the Guaranty Agreement.

You and your personnel must comply with all applicable labor, employment and wage and hours laws and regulations. All personnel decisions, including hiring, firing, disciplining, compensating, benefits, and scheduling, will be made by you, without any influence from us, and such decisions and actions will not

be, nor be deemed to be, a decision or action of ours, even if we provide advice or recommendations on these issues.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer for sale through your Business only those products and services that we have approved in writing, which current include luxury residential real estate brokerage services. We may designate products or services as optional or mandatory. You may not sell any goods or services that we have not authorized or approved. We have the right, but not the obligation, to introduce and make available real estate related services and products, including but not limited to title services, escrow services, mortgage services, property management services, new development services, warranty services, relocation services, and communications systems for a fee. We may, at our sole discretion, revoke approval of a previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

You are required to meet certain quality service standards that we may establish periodically, and your customer service may be monitored through a client survey developed by us. We can terminate the License Agreement if you do not meet these minimum quality service standards. We also may conduct investigations of customer complaints about your performance and require you to resolve all complaints to our satisfaction. We may also contact the licensed salespeople in the Main and Additional Offices to inquire if they are being given access to all available tools and if they are being provided the services as we recommend.

As described in Item 13, the Trademark License Agreement contains significant restrictions on our and your uses of the Marks and your Business. These are generally set forth in the License Agreement and in our Operations Manual (which contains the Brand Guidelines). For instance, you are not permitted to use any Marks that consist of or incorporate “CHRISTIE’S” in any manner other than in the phrase “CHRISTIE’S INTERNATIONAL REAL ESTATE.” In addition, you are required to market, hold out and otherwise position the Marks as a leading luxury brand, and you must not market, hold out or otherwise position any other trademarks or other commercial symbols as being associated with more luxurious real estate brokerage services or more luxurious real estate properties than those offered, marketed or sold under the Marks. You must use the Marks in combination with your marks, which will be set forth in Section 7 of Exhibit 1 of the License Agreement. Further, you must only sell “luxury” real estate and maintain an average selling price for properties that we designate from time to time, as further described in the Operations Manual, which definitions of, and formulas for calculating, “luxury real estate” are prescribed by IP Owner in the Trademark License Agreement. The Trademark License Agreement is confidential between us and IP Owner.

For the duration of your License Agreement, you may not offer competitive services in the states and territories of the United States unless you receive our prior written consent.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in License Agreement	Summary
a. Length of the franchise term	2.1	10 years
b. Renewal or extension of the term	2.2	If you are in good standing, you can renew the License Agreement for 1 additional 10-year terms.
c. Requirements for you to renew or extend	2.2	You may renew your License Agreement if the following are satisfied: (a) we are still offering licenses under the Marks and System; (b) you meet our then-current standards for new Affiliates; (c) you give us at least 365 days' notice; (d) you are in compliance with the broker Affiliate license agreement; (e) pay a renewal fee of \$1,000 at least 6 months before the then-existing term expires; (f) sign our then-current broker Affiliate license agreement, which may contain terms and fees that are materially different from those contained in the License Agreement; (g) you and each Principal Owner sign a general release, in a form acceptable to us.
d. Termination by franchisee	None	The License Agreement does not provide you with an express right to terminate. This is subject to applicable law.
e. Termination by franchisor without cause	None	Not applicable
f. Termination by franchisor with cause	10	We can terminate if you commit a breach, including any one of the several listed violations, or if certain events occur, see "g" below.
g. "Cause" defined – curable defaults	10	We may terminate with notice for failure to cure any breach or violation following after 30 days, including the following: (a) Required individuals do not complete, to our satisfaction, our initial training program in accordance with our standards. (b) Failure to pay any amounts owed within 10 days. (c) Fail to obtain our approval of a site for the Main Office or any Additional Office. (d) Failure to open the Business within 120 days. (e) Abandon the Business for three or more business days. (f) Failure to pay suppliers any amount when due. (g) You refuse to permit us to inspect or audit your Business. (h) Any examination or audit discloses an understatement of Gross Revenues of more than 5%. (i) Failure to conform to the material requirements of the System or the material standards of uniformity and quality as described in the Operations Manual or as we have established under the System or misuse the Marks.

Provision	Section in License Agreement	Summary
		(j) Failure to maintain insurance (k) You are no longer able to conduct residential real estate brokerage services for whatever reason.
h. "Cause" defined –defaults which cannot be cured	10.1	We may terminate without notice in the event of bankruptcy or dissolution. We may terminate with notice for: (a) You or any of your managers, directors, officers or any Principal Owner commits a material violation of any law, ordinance, rule, or regulation of a governmental agency or department reasonably associated with the operation of the Business or if you are convicted of, or plead guilty or no contest to a felony. (b) Materially false representation or omission of fact in your application to us for this Business. (c) You or your Principal Owners commit fraud or misrepresentation in the operation of the Business. (d) You or your principals materially breach any other agreement with us or any of our affiliates, or threaten any material breach of any such agreement, and fail to cure such breach within any permitted period for cure. (e) Failure to operate the Business in full compliance with federal, state, and local laws and regulations. (f) You, the Responsible Broker, or any of your managers or agents are involved in any act or conduct, including in public or on the Internet, which materially impairs or otherwise is prejudicial to the goodwill associated with the Marks or the System including, but not limited to, a violation of Section 6.3(n). (g) Unauthorized assignment or transfer. (h) Three or more breaches in any 12-month period. Violating any part of Section 6 of the Agreement including, but not limited to, Section 6.3.
i. Franchisee's obligations on termination/renewal	11	Stop using our marks; deliver to us business records; pay debts due to us; cancel or transfer telephone numbers and URLs to us; assist in lease transfer and our purchase of your assets, at our option; return Manual and Confidential Information to us; cancel fictitious names; comply with other post term duties; execute any necessary documents.
j. Assignment of Franchise by franchisor	14.1	We may assign to a successor in interest who remains bound by terms of Agreement. Your consent is not required.
k. "Transfer" by franchisee - defined	14.2, 14.3	Includes transfer of License Agreement, any interest of the License Agreement, or substantially all of the assets of the Business.

Provision	Section in License Agreement	Summary
l. Franchisor's approval of transfer by franchisee	14.2, 14.3	We must approve all transfers, but our approval will not be unreasonably withheld if the transfer is to an entity that you own and control and that we approve, provided you comply with certain conditions as described below.
m. Conditions for franchisor's approval of transfer	14.2, 14.3	Transfer to wholly owned company: (i) entity only operates the Business; (ii) the ownership and management is substantially unchanged; (iii) the Responsible Broker actively manages the Business; (iv) you and all Principal Owners sign the Guarantee, Indemnification, and Acknowledgment (Exhibit 3 of the License Agreement); (v) at least 15 days' written notice; (vi) you provide us certified copy of the articles of incorporation, operation agreement, organizational documents, and a list of all shareholders or members having beneficial ownership, reflecting their respective interest in the assignee entity; and (vii) the organizational documents bear a legend referring to the assignment restrictions under the broker Affiliate license agreement. Transfer of broker Affiliate license agreement, Business, or 20% of more ownership interest in you: (a) you are current in all monetary obligations to us, our affiliates, and suppliers and vendors; (b) you are in full compliance with the License Agreement, Operations Manual, and our system standards; (c) you execute any transfer, amendment, or release forms that we may require; (d) provide us a copy of the proposed documents as we may request to evidence the transfer; (e) transferee must be approved by us and demonstrate to our satisfaction that s/he meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; have the aptitude and ability to conduct the business to be transferred; and have adequate financial resources and capital to meet the performance obligations under the License Agreement; (f) execute our then-current form of broker Affiliate License Agreement; (g) pay transfer Fee of \$5,000; (h) transferee completes our initial training program at the transferee's expense; (i) you comply with all post-termination obligations; (j) transferee obtains all permits and licenses required for operation of the Business; (k) landlords and any other parties have consented to the proposed transfer; (l) in compliance with any laws that apply to the transfer; (m) purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation and performance under its broker Affiliate license agreement; (n) we waive our right of first refusal set forth under Section 14.4.

Provision	Section in License Agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	14.4	We have a right of first refusal to match any purchase offer for your Business, any interest in the Business, or substantially all the assets of the Business, or all or substantially all of the equity ownership in your or your entity.
o. Franchisor's option to purchase franchisee's business	11.3	If you were new to the real estate brokerage business before signing the License Agreement, we have the option to purchase the tangible and intangible assets of the Business within 60 days of termination or expiration of the broker Affiliate license agreement.
p. Death or disability by franchisee	14.5	Transfer must be commenced within 60 days, completed within 6 months; pay transfer fee, we must approve the transferee, transferee must attend and successfully complete training, and sign our current Agreement.
q. Non-competition covenants during the term of the franchise	13	No involvement in any other real estate brokerage business, other than the Business, during the term of this Agreement, directly, or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any business that offers for sale real estate brokerage services, or any other related business that is similar to, offers the same or similar products or services to, or is otherwise competitive with, the Business, anywhere in the United States, including, but not limited to, those competing businesses set forth in Section 6.3(e) of the Agreement.
r. Non-competition covenants <u>after</u> the franchise is terminated or expires	13.1	No non-competition covenant; but a non-solicitation covenant that provides that you, each Principal Owner and the Responsible Broker, will not for a period of 1 year after its expiration or termination, directly or indirectly, divert or attempt to divert any Franchisor business, account or customer of the Business or any other Franchisor business referred to you by us, or the System to any competing business including, but not limited to, the competing businesses set forth in Section 6.3(e) of the License Agreement.
s. Modification of the agreement	15, 4.9	The broker Affiliate license agreement will not be modified except by written agreement signed by all the parties. We may modify the Operations Manual from time to time as we determine.
t. Integration/merger clause	17	Only the terms in the License Agreement are binding (subject to federal or state law). Any representations or promises made outside the disclosure document and License Agreement may not be enforceable. No claim in any License Agreement(s) is intended to disclaim the express representations made in this Franchise Disclosure Document.

Provision	Section in License Agreement	Summary
u. Dispute resolution by arbitration or mediation	18	You must first attempt to resolve claims against us through non-binding mediation (subject to applicable state law).
v. Choice of forum	18	All claims must be brought before a court of general jurisdiction closest to our corporate office at the time of the dispute, currently Chicago, Illinois (subject to applicable state law).
w. Choice of Law	19	Illinois law governs (subject to applicable state law).

ITEM 18 PUBLIC FIGURES

We have not paid any compensation or other benefit to a public figure for the use of their endorsement or recommendation of the franchise to prospective franchisees.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Michael Golden, 806 N. Peoria Suite 100, Chicago, IL 60642, (312) 254-0200, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NUMBER 1
Systemwide Outlet Summary
For Years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2023	33	36	3
	2024	36	33	(3)
	2025	33	38	5
Company-Owned	2023	3	3	-
	2024	3	3	-
	2025	3	2	(1)
Total Outlets	2023	36	39	3
	2024	39	36	(3)
	2025	36	40	4

*The CHRISTIE’S INTERNATIONAL REAL ESTATE Affiliates that commenced operation prior December 1, 2021, operate under license agreements designated as “Participating Broker Agreements” or “PBAs.” All independent CHRISTIE’S INTERNATIONAL REAL ESTATE licensees, or independent CHRISTIE’S INTERNATIONAL REAL ESTATE businesses, are referred to as “Affiliates.” For the purposes of this Disclosure Document, and in particular this Item 20, these Affiliates are referred to as “franchisees” or “franchised outlets.”

TABLE NUMBER 2
Transfers of Outlets From Franchisee to New Owners
(Other than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
TOTAL	2023	0
	2024	0
	2025	0

TABLE NUMBER 3
Status of Franchised Outlets
For Years 2023 to 2025

State	Year	Outlets at the Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of Year
Arizona	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

State	Year	Outlets at the Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of Year
California	2023	2	0	0	1	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Colorado	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Delaware	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	7	0	0	1	0	0	6
	2024	6	0	1	1	0	0	4
	2025	4	2	0	0	0	0	6
Georgia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Idaho	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Iowa	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kentucky	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Massachusetts*	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Michigan	2023	2	0	1	0	0	0	1
	2024	1	1	1	0	0	0	1
	2025	1	0	0	0	0	0	1
Montana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
New Jersey	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1

State	Year	Outlets at the Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of Year
New Mexico	2025	1	0	0	0	0	0	1
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
New York	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
North Carolina	2023	2	0	0	0	0	0	2
	2024	2	1	1	0	0	0	2
	2025	2	0	0	0	0	0	2
Oregon	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Carolina	2023	4	0	0	0	0	0	4
	2024	4	1	0	2	0	0	3
	2025	3	1	0	0	0	0	4
Texas	2023	1	1	0	0	0	0	2
	2024	2	1	1	0	0	0	2
	2025	2	0	0	0	0	0	2
Utah	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Wisconsin	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Wyoming**	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Puerto Rico	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
U.S. Virgin Islands	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
TOTAL	2023	33	7	2	2	0	0	36
	2024	36	4	4	3	0	0	33
	2025	33	5	0	0	0	0	38

Notes to Table 3 of this Item 20:

- * Landvest, Inc. is listed in Table 3 as having an outlet in Massachusetts, but that Affiliate's Agreement also included a grant of territory in Vermont, Rhode Island, New Hampshire and New York.
- ** PureWest Christie's International Real Estate was granted an option to expand into Wyoming in 2022 but currently does not have an outlet in Wyoming.

TABLE NUMBER 4
Status of Company-Owned Outlets
For Years 2023 to 2025

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at the End of the Year
California	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0
Georgia	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Illinois	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
TOTAL	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	1	2

Table No. 5
Projected Openings as of December 31, 2025

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
California	0	1	0
Colorado	0	1	0
Florida	0	1	0
Nevada	0	1	0
Texas	0	1	0
Virginia	0	1	0
TOTAL	0	6	0

Notes for all Tables in Item 20

[1] All numbers are as of the fiscal year-end. Each fiscal year ends on December 31.

- [2] States not listed in a chart had no franchised, company-owned or affiliate-owned Business activity during the relevant period.
- [3] As noted above in this Item 20, the Affiliates in this Item 20 who became Affiliates prior to December 1, 2021 entered into a different form of agreement with us, which was called a Participating Broker Agreement. Their licensed CHRISTIE'S INTERNATIONAL REAL ESTATE businesses are substantially similar to the Businesses described in this Disclosure Document.

Exhibit F contains a list of the names of all current Affiliates and the address and telephone number of each of their outlets.

Exhibit G contains a list of the names, city and state, and current business telephone number, or if unknown, the last known home telephone number of every Affiliate who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some cases, Affiliates have signed a confidentiality clause in settlement, PBA, or other contract, within the last three years that would restrict their ability to speak openly about their experience with CHRISTIE'S INTERNATIONAL REAL ESTATE. In some instances, current and former Affiliates sign provisions restricting their ability to speak openly about their experience with CHRISTIE'S INTERNATIONAL REAL ESTATE. You may wish to speak with current and former Affiliates but be aware that not all such Affiliates will be able to communicate with you.

We are not aware of any trademark-specific Affiliate organizations associated with the System or the Marks.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit H are the following financial statements: The audited financial statements of Christie's International Real Estate Management, LLC for the fiscal years ended December 31, 2023, December 31, 2024 and the financials for Compass, Inc., our parent company are attached for the fiscal year ending in December 31, 2025. Also included is a guaranty signed by Compass, Inc.

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Franchise Disclosure Document:

Agreement	Location
License Agreement	Exhibit C
Automatic Bank Draft Authorization	License Agreement, Exhibit 2
Guarantee, Indemnification, and Acknowledgment	License Agreement, Exhibit 3
Additional Office Addendum	License Agreement, Exhibit 4
License Agreement State Addenda	Exhibit A
Form General Release	Exhibit E
Conversion Promissory Note	Exhibit E-1
Security Agreement	Exhibit E-2
Affiliate Disclosure Questionnaire	Exhibit J

ITEM 23
RECEIPT

Exhibit K contains two copies of the Receipt are attached to the end of this disclosure document. As indicated, please complete and sign, and return to us our copy of the Receipt and sign and complete and keep for your records your copy of the Receipt.

EXHIBIT A-1

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD

STATE-SPECIFIC ADDENDA TO THE FDD

1. California
2. Hawaii
3. Illinois
4. Maryland
5. Minnesota
6. New York
7. North Dakota
8. Rhode Island
9. Virginia
10. Washington
11. Wisconsin

CALIFORNIA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

Item 3 of the Disclosure Document is amended by adding the following paragraph:

Neither we nor any person described in Item 2 of this Disclosure Document is subject to any currently effective order of any National Securities Association or National Securities Exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in this association or exchange.

Item 5 of the Disclosure Document is amended by adding the following paragraph:

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the License Agreement contains a provision that is inconsistent with the law, the law will control.

The License Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. §101 et seq.)

The License Agreement requires application of the laws of New York. This provision may not be enforceable under California law.

The License Agreement contains a liquidated damages clause. Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The License Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the License Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)).

The highest interest rate allowed by law in California is ten percent (10%) annually.

The Disclosure Document and the Affiliate Disclosure Questionnaire attached at Exhibit J are amended to include the following:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Section 31512.1 Franchise Agreement Provisions Void as Contrary to Public Policy:

Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, Any provision of a franchise agreement, franchise disclosure document, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) Violations of any provision of this division.

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E-1 – 482E-12 applies, the terms of this Addendum apply.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE LICENSE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ILLINOIS ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Illinois Franchise Disclosure Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Illinois law governs the License Agreement.
2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a License Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a License Agreement may provide for arbitration to take place outside of Illinois.
3. Your rights upon Termination and Non-Renewal of an agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision of the License Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.
5. By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.
6. Payment of the initial franchisee fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business. The deferral of the initial franchise fee is required by the Illinois Attorney General's Office based on our financial statements.

Franchisee Disclosure Questionnaire:

The representations under this Affiliate Disclosure Questionnaire are not intended, nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

Item 5, Additional Disclosures:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Item 17, Additional Disclosures:

Our termination of the License Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Franchisee Disclosure Questionnaire:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

State Cover Page and Item 17, Additional Disclosures:

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Item 6, Additional Disclosure:

NSF checks are governed by Minn. Stat. 604.113, which puts a cap of \$30 on service charges.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the License Agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the License Agreement and that consent to the transfer of the franchise will not be unreasonably withheld.

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

Franchisee Disclosure Questionnaire:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. The following information is added to the Cover Page of the Franchise Disclosure Document.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, , or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, unfair or deceptive practices , or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for a franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Section 687.4 and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum,” and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts: Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota may be unenforceable under North Dakota law. Any mediation or arbitration will be held at a site agreeable to all parties. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

Any general release the franchisee is required to assent to as a condition of renewal is not intended to nor shall it act as a release, estoppel or waiver of any liability franchisor may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the license agreement are enforceable only under certain conditions according to North Dakota law. If the License Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The License Agreement includes a waiver of exemplary and punitive damages. This waiver may not be enforceable under North Dakota law.

The License Agreement stipulates that the franchisee shall pay all costs and expenses incurred by franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The License Agreement requires the franchisee to consent to a waiver of trial by jury. This waiver may not be enforceable under North Dakota law.

The Franchise Disclosure Document and License Agreement state that franchisee must consent to the jurisdiction of courts outside that State of North Dakota. That requirement may not be enforceable under North Dakota law.

The Franchise Disclosure Document and License Agreement may require franchisees to consent to termination or liquidated damages. This requirement may not be enforceable under North Dakota law.

The License Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

Item 17, Additional Disclosure. The following statement is added to Item 17:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

SOUTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent that South Dakota Codified Laws § 37-5B-5 applies, the terms of this Addendum apply.

Item 5, Additional Disclosures:

Based upon the franchisor's financial condition, the South Dakota Securities Regulation Office has required a financial assurance. Therefore, all initial fees owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.”

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

“According to Section 13.1 – 564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the License Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

Franchisee Disclosure Questionnaire:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. Conflict of Laws. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. Site of Arbitration, Mediation, and/or Litigation. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. General Release. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer Fees. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Termination by Franchisee. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise

agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Item 5, Additional Disclosure. Payment of the initial fee is deferred until such time as the franchisor completes its initial obligations and Affiliate is open for business.

**WISCONSIN ADDENDUM
TO THE DISCLOSURE DOCUMENT**

As to franchises governed by the Wisconsin Fair Dealership Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17 is modified to also provide:

If the License Agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

For all franchisees residing in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

EXHIBIT A-2

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD
STATE-SPECIFIC ADDENDA TO THE LICENSE AGREEMENT

1. California
2. Hawaii
3. Illinois
4. Maryland
5. Minnesota
6. New York
7. North Dakota
8. Rhode Island
9. Virginia
10. Washington
11. Wisconsin

CALIFORNIA ADDENDUM TO LICENSE AGREEMENT

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

The License Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the License Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)).

The License Agreement requires application of the laws of New York. This provision may not be enforceable under California law.

The License Agreement contains a liquidated damages clause. Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. The Federal Bankruptcy Code also provides rights to franchisee concerning termination of the License Agreement upon certain bankruptcy-related events. If the License Agreement is inconsistent with the law, the law will control.

The Department of Financial Protection and Innovation requires that we defer the collection of all initial fees from California franchisees until we have completed all its pre-opening obligations and franchisee is open for business.

2. The following statement shall be deemed to amend the License Agreement, and the Affiliate Disclosure Questionnaire attached to the Christie's Disclosure Document at Exhibit J:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

4. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

HAWAII ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E-1 – 482E-12 applies, the terms of this Addendum apply.

1. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

2. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

ILLINOIS ADDENDUM TO LICENSE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the License Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a License Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a License Agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision of the License Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Payment of the initial franchisee fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business. The deferral of the initial franchise fee is required by the Illinois Attorney General's Office based on our financial statements.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

Its:

Date: _____

By: _____

Its:

Date: _____

MARYLAND ADDENDUM TO LICENSE AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

1. To the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Nothing in the License Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the License Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The Federal Bankruptcy laws may not allow the enforcement of the provisions for termination upon bankruptcy of the franchisee.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2. Section 20 of the License Agreement, under the heading “Representations, Warranties, and Acknowledgments,” is modified as described below.

a. Sections 20.2 and 20.3 are hereby deleted in their entirety.

20.2. Section 20.4 is hereby deleted in its entirety and replaced by the following new Section 20.4:

20.4. Receipt of Documents. You represent and acknowledge that you have received our franchise disclosure document at least 14 calendar days before the date of the execution of this Agreement. In addition, you represent and acknowledge that you received from us a copy of this Agreement with all material blanks filled in at least 7 calendar days before the date of execution of this Agreement.

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

4. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:
Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

MINNESOTA ADDENDUM TO LICENSE AGREEMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the License Agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is located in Minnesota against liability to third parties resulting from claims by third parties that the franchisee's use of franchisor's trademarks ("Marks") infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of franchisor's trademark but franchisor shall indemnify franchisee for claims against franchisee solely as it relates to franchisee's use of the Marks in accordance with the requirements of the License Agreement and franchisor's standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any such claim immediately and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.
- Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.
- With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days' notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective immediately upon receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the License Agreement; or (3) failure of the franchisee to cure a default under the License Agreement which materially impairs the goodwill associated with the franchisor's trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.
- According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the terms of the License Agreement shall not in any way abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of

Minnesota. In addition, nothing in this License Agreement shall abrogate or reduce any of franchisee's rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

- Any claims franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.
- The License Agreement contains a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.
- Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.
- The License Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.
- No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

NEW YORK ADDENDUM TO BROKER AFFILIATE LICENSE AGREEMENT

To the extent the New York General Business Law, Article 33, §§680 - 695 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Agreement, to the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Agreement.

3. Except as expressly modified by this Addendum, the Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Agreement. In the event of any conflict between this Addendum and the Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

NORTH DAKOTA ADDENDUM TO LICENSE AGREEMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any release executed in connection with a renewal shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the License Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law.

The requirement that mediation be held outside the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. Any mediation will be held at a site agreeable to all parties.

The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement may not be enforceable under North Dakota law.

The License Agreement states that franchisee must consent to the jurisdiction of courts located outside the State of North Dakota. This requirement may not be enforceable under North Dakota law.

The License Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

License Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the

inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:
Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

RHODE ISLAND ADDENDUM TO LICENSE AGREEMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

SOUTH DAKOTA ADDENDUM TO LICENSE AGREEMENT

To the extent that South Dakota Codified Laws § 37-5B-5 applies, the terms of this Addendum apply.

1. To the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Based upon the franchisor's financial condition, the South Dakota Securities Regulation Office has required a financial assurance. Therefore, all initial fees owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement."

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

VIRGINIA ADDENDUM TO LICENSE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

“According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the License Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. Conflict of Laws. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. Franchisee Bill of Rights. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. Site of Arbitration, Mediation, and/or Litigation. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. General Release. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. Statute of Limitations and Waiver of Jury Trial. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. Transfer Fees. Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. Termination by Franchisee. The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any

franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Item 5, Additional Disclosure. Payment of the initial fee is deferred until such time as the franchisor completes its initial obligations, and Affiliate is open for business.

The undersigned does hereby acknowledge receipt of this addendum.

LICENSOR:

Christie’s International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

WISCONSIN ADDENDUM TO LICENSE AGREEMENT

To the extent the Wisconsin Franchise Investment Law, Wis. Stat. §§553.01 – 553.78 or Wisconsin Fair Dealership Law, Wis. Stat. §§135.01 – 135.07 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the License Agreement, to the extent that the License Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

To the extent any of the provisions regarding notice of termination or change in dealership are in conflict with Section 135.04 of the Wisconsin Fair Dealership Law, the Wisconsin law shall apply.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the License Agreement.

3. Except as expressly modified by this Addendum, the License Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the License Agreement. In the event of any conflict between this Addendum and the License Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

LICENSOR:

Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

EXHIBIT B

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

State	State Administrator	Agent for Service of Process
California	Office of the Commissioner California Department of Financial Protection and Innovation 651 Bannan Street, Suite 300 Sacramento, CA 95811 (866) 275-2677 (toll free) Ask.DFPI@dfpi.ca.gov (email)	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013
Connecticut	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299	The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299
Hawaii	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (844) 808-3222	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813

State	State Administrator	Agent for Service of Process
Illinois	Chief – Franchise Bureau Office of Attorney General of Illinois 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, IL 62706
Indiana	Franchise Section Indiana Securities Commission 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	Secretary of State, Securities Division West Washington Street, Room E-018 Indianapolis, IN 46204

State	State Administrator	Agent for Service of Process
Kentucky	Kentucky Attorney General 700 Capitol Avenue Frankfort, Kentucky 40601-3449 (502) 696-5300	
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Corporate Oversight Division Franchise Section Michigan's Attorney General's Office G. Mennen Building, Fifth Floor 525 W. Ottawa Street Lansing, MI 48933 (517) 373-7117	Department of Attorney General 525 W. Ottawa Street G. Mennen Building, First Floor Lansing, MI 48933
Minnesota	Minnesota Department of Commerce Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Department of Commerce Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198
Nebraska	Nebraska Department of Banking and Finance 1200 N Street-Suite 311 Post Office Box 95006 Lincoln, Nebraska 68509 (402) 471-3445	
New York	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21 st Floor New York, NY 10005 212-416-8222	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492

State	State Administrator	Agent for Service of Process
North Dakota	North Dakota Insurance & Securities Department 600 East Boulevard Avenue Dept. 401 Bismarck, ND 58505-0510 (701) 328-2910	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capital, 14th Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 69-2 Cranston, RI 02920 (401) 462-9500	Director, Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Avenue, Bldg. 68-2 Cranston, RI 02920 (401) 462-9588
South Dakota	Department of Labor and Regulation Division of Insurance- Securities Regulation 124 South Euclid, 2 nd Floor Pierre, SD 57501 (605) 773-3563	Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501
Utah	Utah Department of Commerce Division of Consumer Protection Heber M. Wells Building 160 East 300 South SM Box 146701 Salt Lake City, Utah 84114-6704 (801) 530-6601	
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd., SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Wisconsin Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53703 (608) 266-0448	Wisconsin Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53703

EXHIBIT C
TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD
LICENSE AGREEMENT

CHRISTIE'S INTERNATIONAL REAL ESTATE, LLC

BROKER AFFILIATE LICENSE AGREEMENT

AFFILIATE/YOU

DATE OF AGREEMENT

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EXHIBITS:

- Exhibit 1 – Main Office Location, Protected Territory, Royalty, Minimum Performance Requirement, and Other Key Information
- Exhibit 2 – Automatic Bank Draft Authorization
- Exhibit 3 – Guarantee, Indemnification, and Acknowledgment- Deleted
- Exhibit 4 – Additional Office Addendum
- Exhibit 5 – Form Confidentiality Agreement
- Exhibit 6 – List of Affiliate’s Third-Party Affiliations

**CHRISTIE'S® INTERNATIONAL REAL ESTATE
BROKER AFFILIATE LICENSE AGREEMENT**

THIS BROKER AFFILIATE LICENSE AGREEMENT (the “Broker Affiliate License Agreement” or “Agreement”) is made and entered into this ____ day of _____, 2026 (the “Effective Date”), between Christie’s International Real Estate, LLC, a Delaware limited liability company, with a principal place of business at 806 N. Peoria Street, Chicago, IL 60642 (“we,” “us” or “our”), and _____, a [resident of / corporation organized in / limited liability company organized in] the state of _____ (“you” or “your”).

BACKGROUND

A. As a result of our investment of time, skill, effort, and resources, we have developed and continue to develop a unique system for the development and operation of a business that offers luxury real estate brokerage products and services under the Marks (as defined in Section 21.9 below) and System (as defined in Section 21.13 below).

B. We grant qualified persons the right to develop, own and operate a licensed CHRISTIE’S INTERNATIONAL REAL ESTATE business using the Marks and System as a CHRISTIE’S INTERNATIONAL REAL ESTATE broker affiliate (“Broker Affiliate” or “Affiliate”), and you desire to obtain the right to develop and operate a licensed CHRISTIE’S INTERNATIONAL REAL ESTATE business using the Marks and System.

C. We have agreed to grant you the right to develop and operate a licensed CHRISTIE’S INTERNATIONAL REAL ESTATE business subject to the terms and conditions of this Agreement (including all exhibits and related documents) and our Operations Manual.

AGREEMENTS

NOW, THEREFORE, for value received, you and we (“the Parties”) agree as follows:

1. GRANT

1.1. Grant. Subject to the provisions contained in this Agreement, including all exhibits and related documents, and Operations Manual, we grant you a non-exclusive license to own and operate a CHRISTIE’S INTERNATIONAL REAL ESTATE business (the “Business”). The physical address of your Business (“Main Office”) must be located within the Protected Territory and approved by us in writing before you can begin to operate your Business. Your Main Office and the Protected Territory are identified in **Exhibit 1** to this Agreement. You may not relocate your Main Office without our prior written consent, as described in Section 5.2 of this Agreement.

1.2 Nature of the Protected Territory. Except as described below, and except as modified by **Exhibit 1** (if applicable), neither we nor our Related Parties will establish and operate, or grant licenses or franchises to others to establish and operate a CHRISTIE’S INTERNATIONAL REAL ESTATE business within the Protected Territory during the term of this Agreement, so long as you are in compliance with this Agreement. The license granted to you under this Agreement is personal in nature and shall only be used from the Main Office and any Additional Office authorized by us. Notwithstanding the preceding sentence, and subject to the terms of this Agreement, you shall have the right to offer and sell real estate brokerage services identified by the Marks through any other channels of distribution, including the Internet but excluding the metaverse. We reserve, maintain, and control all rights with respect to said metaverse. As used herein, “metaverse” means any 3D virtual space powered by technologies – including virtual reality,

augmented reality, artificial intelligence, the Internet of Things, and blockchain – that allows people to interact with each other and to have lifelike experiences online. The rights granted under this Agreement are subject to the limitations set forth in the Operations Manual or as we otherwise periodically prescribe, which may include certain territorial policies that we establish or modify from time to time. You may not establish or operate any CHRISTIE'S INTERNATIONAL REAL ESTATE office outside the Protected Territory, unless we permit you to do so under a separate broker Affiliate license agreement. You may not subfranchise or sublicense any of your rights under this Agreement.

1.2.1 Subject to Section 1.2.2 below, we and our Related Parties and our and their respective licensees, franchisees, and Affiliates, as well as our agents and the agents of any of these parties, have the right (without compensation to you) to offer and sell real estate brokerage services under the Marks to clients located within the Protected Territory and for real estate located within the Protected Territory, as long as the real estate brokerage services are offered and sold from offices of CHRISTIE'S INTERNATIONAL REAL ESTATE businesses outside of the Protected Territory. In turn, and also subject to Section 1.2.2 below, you and your agents have the right to offer and sell real estate brokerage services under the Marks to clients located outside the Protected Territory and for real estate located outside the Protected Territory but only inside the United States (including Puerto Rico, the U.S. Virgin Islands, and other U.S. territories), as its borders exist on the Effective Date, so long as the real estate brokerage services are offered and sold from the Main Office and any authorized Additional Office. However, you acknowledge and agree: (1) that your rights outside your Protected Territory may be limited based on territorial grants or protections that we or our Related Parties have granted to other Affiliates or other third parties, and (2) that the scope of your rights outside of your Protected Territory may be modified by us from time to time, and are subject to the territorial policies that we establish or modify from time to time in the Operations Manual.

1.2.2. If you and your agents are licensed, as prescribed by law, to provide real estate brokerage services in an area where another licensee, franchisee or Affiliate has been granted a protected territory by us ("Other Area") but their grant does not prevent others from offering real estate brokerage services under the Marks in the Other Area, so long as you do not exceed 5% of your inventory (as measured by the number of properties) at any given time, you may list properties for sale using the Marks in the Other Area so long as they are listed from your Main Office or Additional Office. If your properties listed in the Other Area exceeds 5% of your inventory and, upon notice from us, you do not cease such listings promptly, you will be in default, and we can terminate the Agreement. Conversely, to the extent another licensee, franchisee, Affiliate, or its agents, are licensed as prescribed by law, to provide real estate brokerage services in your Protected Territory, we will use commercially reasonable efforts to limit such party from listing more than 5% of its inventory of properties using the Marks in your Protected Territory, assuming such party has not been granted unlimited rights by us. However, we have no obligation to enforce this provision against such other parties.

1.2.3 Except for the limitations described in this Section, you acknowledge and agree that you do not have any right to exclude, control or impose conditions on our development of future licensed, franchised, company or affiliate-owned CHRISTIE'S INTERNATIONAL REAL ESTATE businesses, or other company owned businesses at any time or at any location.

1.3. Rights Reserved to Us. We reserve (for ourselves and our Related Parties) reserve all rights to engage in all activities associated with CHRISTIES INTERNATIONAL REAL ESTATE Marks, and all rights to engage in any business, licensing, franchising, or other activities associated with other brands, marks, and real estate brokerage systems, anywhere in the world, not specifically granted to you under this Agreement or expressly prohibited under this Agreement, or expressly prohibited from us engaging in under this Agreement. Without limiting the preceding sentence, we (for ourselves and our Related Parties)

specifically reserve the right, from any location at any time, without any compensation to you or any other Affiliate and regardless of whether it competes with the Business, the following rights:

(a) To own and operate, and grant licenses or franchises to others to own and operate, CHRISTIE'S INTERNATIONAL REAL ESTATE offices outside of the Protected Territory;

(b) To own and operate, and grant licenses or franchises to others to own and operate, any business of any kind (other than an office located within your Protected Territory selling the same services as a CHRISTIE'S INTERNATIONAL REAL ESTATE businesses) under the Marks at any locations within or outside of your Protected Territory, including by electronic means such as the Internet, applications, by websites we may establish, catalog sales, telemarketing, or other direct marketing sales;

(c) To own and operate, and grant licenses or franchises to others to own and operate, any business of any kind, including a real estate business selling the same or similar services as CHRISTIE'S INTERNATIONAL REAL ESTATE businesses, under any names, trademarks, service marks, logos and other commercial symbols other than the Marks, regardless of where such businesses are located, including within the Protected Territory;

(d) To merge with, acquire, be acquired by, or become associated with any businesses that are the same or similar to a CHRISTIE'S INTERNATIONAL REAL ESTATE businesses and operate or license others to operate such businesses regardless of where the businesses are located, including within the Protected Territory, and to be acquired by any third party that operates businesses that are the same or similar to CHRISTIE'S INTERNATIONAL REAL ESTATE businesses regardless of where such businesses are located, including within the Protected Territory;

(e) to promote, sell, and distribute products, items, and other materials under the Marks or other trademarks through dissimilar channels of distribution (i.e., other than the operation of a CHRISTIE'S INTERNATIONAL REAL ESTATE office within the Protected Territory), including by electronic means such as the Internet, applications, by websites we may establish, catalog sales, telemarketing, or other direct marketing sales;

(f) To advertise the System anywhere, including, without limitation, on the Internet (or any other existing or future form of electronic commerce) and to create, operate, maintain, and modify, or discontinue the use of a website or any online presence using the Marks; and

(g) to engage in all other activities associated with the CHRISTIES INTERNATIONAL REAL ESTATE Marks not expressly prohibited under this Agreement.

1.4. Additional Offices. You currently have [] additional office[s] as listed in **Exhibit 1** that do[es] not require approval from us. You may open additional offices (each, an "Additional Office") as needed, so long as we receive prior written notification before you enter into any binding agreement to lease, purchase, or otherwise occupy the Additional Office. We reserve the right to reject the location of your anticipated Additional Office. Nothing in the previous sentence is intended to suggest that a rejection of the location of the anticipated Additional Office will act as a rejection of your ability to open an Additional Office. The Main Office and Additional Office are each referred to herein as an "Office." If we approve your proposed Additional Office location, you must execute an addendum granting you such rights, the current version of which is attached as **Exhibit 4**.

1.5. Minimum Performance Requirement. Your rights under this Agreement are dependent on you achieving the minimum performance requirement(s) identified on **Exhibit 1** of this Agreement (referred to

as the “Minimum Performance Requirement(s)”). If you fail to satisfy any Minimum Performance Requirement during the term of this Agreement, we have the right to terminate this Agreement, or, in lieu of termination, modify or rescind any such territorial or protected rights.

2. TERM AND RENEWAL

2.1. Term. This Agreement will be effective for a ten (10) year term beginning on the Effective Date specified in this Agreement.

2.2. Renewal. You will have the right to renew the rights granted under this Agreement for one (1) additional term of ten (10) years, provided the following conditions are met:

- (a) we are still offering licenses or franchises under the Marks and System;
- (b) you meet our then-current standards for new CHRISTIE’S INTERNATIONAL REAL ESTATE Affiliates;
- (c) you have given us written notice of your intention to renew at least 365 days before the end of the then-existing term of this Agreement;
- (d) you are in compliance with all provisions of this Agreement, including all monetary obligations you owe to us and/or our Related Parties, throughout the term of this Agreement;
- (e) you have paid a renewal fee of \$1,000 (the “Renewal Fee”) to us at least six months before the then-existing term of this Agreement expires;
- (f) you sign our then-current broker Affiliate license agreement, which may contain conditions, terms, and fees that are materially different from those contained in this Agreement;
- (g) you and each Principal Owner sign a general release, in a form acceptable to us, of all claims against us and/or our Related Parties, officers, directors, employees, and agents.

2.3. Non-Renewal. If you do not intend to renew your rights under this Agreement, you must provide us written notice of such at least 365 days before the expiration date of this Agreement. You must comply with all post-termination and post-expiration requirements under this Agreement beginning the date this Agreement expires.

2.4. Operating After Expiration. If you or your Principal Owners continue to use the Marks, and/or use the System after the expiration of this Agreement, you will be in default of this Agreement and we may exercise all remedies available to us, including those listed in Section 11. We may charge you a Royalty Fee in the amount of your highest Royalty Fee paid to us in the last twenty-four (24) months of the Term for each month you operate after expiration. In addition, IP Owner may seek remedies pursuant to its rights under the Trademark License Agreement.

2.5. Consent to Communications. We or our Related Parties may communicate with you, either by telephone or electronic means, about various matters including communications that might otherwise be prohibited by “do not call/text,” “do not fax” or similar laws. You consent to these communications, including automated calls, ringless voicemail or prerecorded messages, without the need for any additional consent.

3. FEES AND PAYMENTS

3.1. Initial Fee. You must pay to us an initial fee of **\$35,000** (the “Initial Fee”). The Initial Fee is due to us in full when you return to us signed copies of this Agreement. The Initial Fee is payable to us when you sign this Agreement, is fully earned by us upon receipt, and is non-refundable.

3.2. Royalty Fee. During the term of this Agreement, you must pay us a continuing royalty fee in the amount set forth in **Exhibit 1** (“Royalty Fees”) as specified herein, or as we otherwise specify in the Operations Manual or otherwise in writing. You must pay us the Royalty Fees on a monthly basis, based on the Gross Revenue of the Business for the prior calendar month, or for such other period as we may specify in the Operations Manual or otherwise in writing.

3.3. Brokerage Tech Fee. Intentionally deleted.

3.4. Monthly User Technology Fee. Intentionally deleted.

3.5. Transfer Fee. You agree to pay to us a Transfer Fee of \$5,000 if you wish to transfer ownership of the rights under this Agreement, or a majority of the ownership of this Agreement or in an entity holding this Agreement, in addition to the other obligations described in Section 14. We do not charge a transfer fee if the owners of this Agreement transfer this Agreement into an entity owned by the same owners with the same ownership percentages.

3.6. Assistance Fee in the Event of Death or Incapacity. In the event we elect to terminate the Agreement under the terms of Section 14.5, Death or Incapacity, the terms of Section 2.4, Operating After Expiration, shall apply. You will be provided with 90 days to wind down your Business’s affiliation with us. You agree we are entitled to reimbursement from you or your estate (or your Principal Owner or her/his estate) for any reasonable expenses incurred for operation of your Business after such winddown period.

3.7. Sales, Income, and Other Taxes. You shall be solely responsible for paying all sales, income, and other taxes imposed upon you with respect to your operation of the Business. We do not charge royalty fees on sales tax. You will indemnify and reimburse us for all income, capital, gross receipts, sales, and other taxes that the state in which the Business is located imposes, or may in the future impose, as a result of your operation of the Business or the license of any of our intangible property in the jurisdiction in which the Business is located. If more than one Affiliate is located in an applicable jurisdiction, the Affiliates will share the liability equally. If applicable, this payment is in addition to the fees paid to us or our Related Parties due under this Agreement.

3.8. Fees to Third Parties. You agree to reimburse us for any third-party charges we may incur on your behalf. Prior to incurring any third-party expenses, we shall present the fees to you for approval, which shall not be unreasonably withheld. You shall have fourteen (14) days to approve the fees. If approval is not received from you at the end of the fourteenth day, the fees shall be deemed approved. You are solely responsible for all fees and expenses to third parties required to operate your Business.

3.9. Payment Period and Method. You agree to pay to us the Royalty Fee and all other continuing fees within 7 days after the end of the prior calendar month via electronic transfer. You must pay to us all other fees when incurred. You must sign electronic transfer of funds authorizations and other documents as we periodically designate, in the form attached as **Exhibit 2**, to authorize your bank to transfer, either electronically or through some other method of payment we designate, directly to our account and to charge your account for all amounts you owe us. Your authorizations will permit us to designate the amount to be transferred from your account. You must maintain a balance in your account sufficient to allow us to collect

the amounts owed to us when due. You will be responsible for any penalties, fines or similar expenses associated with the transfer of funds described herein. If you change your bank account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us and the bank new documents to permit us to debit your bank account within three days. You will maintain a balance in your account sufficient to allow us to collect the amounts owed to us when due. You will be responsible for any penalties, fines or similar expenses associated with the transfer of funds described herein. We reserve the right to modify the payment methods and schedule in our Operations Manual from time to time at our option.

3.10. Delinquency. If any Royalty fees or other amounts owed to us are not paid in full by the due date, we may charge you a late payment fee of one hundred dollars (\$100) for each failure to pay each fee on time, and interest on the overdue amount at the rate of one and one-half percent (1.5%) per month (or the maximum rate permitted by applicable law, if less than one and one-half percent (1.5%)) from the date such amount was due until paid in full. Unpaid interest charges will compound annually.

3.11. Application of Payments. We may apply any payments received from you against any indebtedness you owe to us.

3.12. Withholding Payments Unlawful. You agree that you will not withhold payment of any Royalty Fees or any other amount due us or our Related Parties, and that the alleged non-performance or breach of any of our or our Related Parties obligations under this Agreement or any related agreement does not establish a right at law or in equity to withhold payments due us for Royalty Fees or any other amounts due.

3.13. Other Fees. You and we acknowledge and agree that technology, particularly in the real estate brokerage business, is changing, and you and we may need to implement changes over time. As discussed in Section 5.10 below, we reserve the right to require businesses operating under the System and Marks, including your Business, to change technology systems, or implement new or changed technologies, and you agree to pay the initial, conversion, and ongoing fees and costs associated with those changes, which payments may be to us or to third parties.

4. TRAINING AND OPERATING ASSISTANCE

4.1. Initial Training. We have the right to require, in our discretion, your Responsible Broker, Office Broker, Marketing Director and Agent Support Director for the Main Office and each Additional Office (if any) (hereinafter referred to as "Trainees") to attend, and complete to our satisfaction, our then-current initial training program on the operation of a Business and the Brand Guidelines and Systems, to be provided at a place and time we designate. We will not charge a training fee for your Trainees to attend our initial training program. We reserve the right to require any additional individuals to attend our initial training, at our then-current initial training fee. You are solely responsible for the compensation, travel, lodging and living expenses incurred by your Trainees and any required additional individuals in attending the initial training program and any additional trainings required. We have the right to determine whether a person has or has not successfully completed training and to require your Trainees or additional individuals to repeat the course. Failure to complete to our satisfaction the initial training program in accordance with our standards constitutes grounds for termination, as provided in Section 10.2(a) of this Agreement.

4.2. Required Ongoing Training. We may require, from time to time, your Trainees or additional individuals to attend (in any manner or medium that we designate) additional training. You are responsible for the compensation, travel, lodging and living expenses your Trainees and additional individuals incur in attending any additional training. We reserve the right to charge a reasonable fee in connection with any ongoing training we offer.

4.3. Continuing Education. You must satisfy all continuing education requirements required by us or by applicable law for maintaining your license, permit and applicable certifications, and those of your brokers, agents, and employees.

4.4. Operating Assistance. You are solely responsible for the day-to-day operation of your Business to preserve and protect the CHRISTIES INTERNATIONAL REAL ESTATE brand and Marks. You and your Owners will actively manage and supervise the Business's operation in a competent and professional manner. You and your employees must preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and comply with all operational standards in the Operations Manual. Any education, support, advice or resources we or our Related Parties provide to you in connection with the Business is solely for the purpose of protecting the Marks and goodwill associated with the System and assisting you in the operation of the Business, and not for the purpose of controlling or in any way exercising or exerting control over your decisions or the day-to-day operation of the Business.

4.5. Special Assistance Fee. Intentionally deleted.

4.6. Additional Training, Founder Mentoring, Designated Programming. Intentionally deleted.

4.7. Ancillary Services. We or our Related Parties may offer other ancillary services, directly or indirectly, to assist you in operating your Business. However, you are not required to use ancillary services. Ancillary services may include title services, mortgage services, new development services, warranty services, and relocation services and similar products or services related to a real estate brokerage operation. These services may not be available in all markets, and we have the right to add, change or discontinue any ancillary service at any time, and we reserve the right to charge our then-current fees for such ancillary services.

4.8. Annual Conference. In order to stay current on all programs, processes, procedures and other information relating to the operation of your CHRISTIE'S INTERNATIONAL REAL ESTATE business, you or a senior representative from your leadership team of whom we approve must attend any annual affiliate conference or other conference that we sponsor or designate. You must pay to us our then-current conference fee and you are responsible for all travel and living expenses for you, your owners, brokers, agents and employees. If you fail to attend the annual conference without our prior written consent, you must pay our then-current fee for two people for failing to attend the conference.

4.9. Operations Manual. We will provide to you electronic access to our proprietary and confidential operations manual and other handbooks, manuals and written materials (collectively, the "Operations Manual") for Affiliates. The Operations Manual will contain both mandatory specifications, standards, and operating procedures as well as suggested practices and procedures that we develop for CHRISTIE'S INTERNATIONAL REAL ESTATE businesses and information relating to your other obligations. The Operations Manual will also include mandatory brand guidelines regarding the proper use of the Marks (our "Brand Guidelines"). We may add to, delete from, and otherwise modify the Operations Manual from time to time as we deem necessary or appropriate. The master copy of the Operations Manual that we maintain electronically or at our principal office and make available to you will control if there is a dispute involving the contents of the Operations Manual.

4.10. No Implied Duties. This Section 4 describes our express obligations to you. We assume no implied duties to you under this Agreement. This Section 4.10 does not disclaim the representations of the Disclosure Document.

4.11. Our Right to Delegate. We have the right, in our sole discretion, to delegate to our Related Parties some of our obligations under this Agreement to provide support and other services to you.

5. DEVELOPMENT AND OPENING THE BUSINESS

5.1. Development of the Business. Before you begin operating the Business, you will:

- (a) purchase an opening inventory of all signage (including all “for sale” signs), products, supplies, materials, and equipment we require for the Business. You must begin using yard signs containing our Marks within ninety (90) days from the Effective Date;
- (b) have a working Computer System;
- (c) procure all state or local licenses, permits, and certifications required by applicable law to operate your Business; and
- (d) establish filing, accounting and inventory control systems complying with our requirements.

5.2. Site Selection and Build Out.

(a) **Site Selection.** You must select a site for the operation of your Business. We may provide you with site selection guidelines in the Operations Manual or otherwise in writing. You agree to obtain our written consent for your proposed site. You may operate the Business only from the accepted site. If you fail to secure a site of which we approve, we may terminate this Agreement.

(b) **Lease.** Before you sign a lease, sublet a space, purchase space, or make any binding commitment to do so, you must provide us a copy of the proposed lease, sublease, or purchase agreement, and you must obtain our prior written approval hereof, which we will not unreasonably withhold.

(c) **Buildout.** It is your responsibility to conform the premises with federal, state, or local ordinances, building codes, licensing requirements and obtain any required permits.

(d) **Plans and Layout.** You are required to submit the layout and have it approved by us. We will approve or disapprove a proposed layout within 14 days of your submission to us. Once approved by us, it is your responsibility to remodel the premises and install the furniture, fixtures, and equipment accordingly.

(e) **Relocation Review.** You must obtain our prior written consent, which will not be unreasonable withheld, if you wish to relocate your Main Office and/or an Additional Office. The “new” location must comply with all applicable provisions of this Agreement and with our then-current specifications and standards for CHRISTIE’S INTERNATIONAL REAL ESTATE businesses. If you must relocate the Main Office and/or an Additional Office because it was destroyed, condemned, or otherwise became untenable by fire, flood, or other casualty, you must reopen the replacement office within 90 days after you discontinue operation at the prior office.

(f) **No Location Warranty.** You acknowledge and agree any approval or recommendation of a site or location for your Business is not a representation or warranty of any kind, express or implied, of the suitability of the site for a CHRISTIE’S INTERNATIONAL REAL ESTATE business or any other purpose. Our recommendation indicates only that we believe that the site meets our then acceptable criteria. In addition, any recommendations, suggestions, or approvals of a proposed site are not a warranty, guarantee or representation that the site will achieve any level or amount of sales, revenue or profit as a CHRISTIE’S INTERNATIONAL REAL ESTATE business location. You acknowledge and agree that your acceptance of the obligation to develop the CHRISTIE’S INTERNATIONAL REAL ESTATE

business is based on your own independent investigation of the suitability of the site for the CHRISTIE'S INTERNATIONAL REAL ESTATE business.

5.3. Commencing Operations of the Business. You will not commence operations of the Business for business until you receive our prior written approval. You must complete the development and commence operations of the Business within 120 days of the Effective Date. You shall have 90 days from the Effective Date of this Agreement to install all outdoor and indoor signs with your Business name utilizing the Marks.

5.4. Personal Participation.

(a) **Principal Owners, Designated Owner.** You must designate one (1) Principal Owner as the "Designated Owner" who: (i) is the primary owner responsible for your business communications with us; (ii) has authority over all transactions and dealings related to your Business; and, (iii) has the power to create binding agreements with us. Your Designated Owner may be the same person as the Responsible Broker.

(b) **Guaranty.** All Principal Owners must sign the guarantee, indemnification, and acknowledgment agreement in **Exhibit 3** (the "Guarantee, Indemnification, and Acknowledgment"). Any person or entity that at any time after the date of this Agreement becomes a Principal Owner of you under Section 14 of this Agreement, must sign the Guarantee, Indemnification, and Acknowledgment.

(c) **Management of the Business.** The following positions must be designated for your Business at all times:

(i) **Responsible Broker.** The Business must at all times be operated under the direct supervision of the Responsible Broker. The Responsible Broker must faithfully, honestly, and diligently perform your obligations and continuously use his/her best efforts to promote and enhance the brand and your Business. The Responsible Broker must, at all times, be in good standing with the local, state and national association/board of realtors. In addition, the Responsible Broker must assume responsibilities on a full-time basis and must not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments or otherwise that may conflict with your obligations under this Agreement.

(ii) **Office Broker.** The Office Broker shall be responsible for on-premises supervision of your Main Office and Additional Offices (if any) at all times. A Responsible Broker and an Office Broker may be the same individual, but if they are different people, the Office Broker is not required to be a Principal Owner.

(iii) **Office Manager.** Your Main Office and Additional Offices, (if any) shall have an Office Manager. This may be the same person as either or both the Responsible Broker and/or the Office Broker. The Office Manager is not required to be a Principal Owner.

The Responsible Broker, Office Broker, Office Manager and any other employees or affiliates with access to the Confidential Information must sign a confidentiality agreement that we provide to you in our Operations Manual.

5.5. Authorized Products and Services Only. As of the Effective Date, your Business may only offer and sell residential real estate services and the products and services that we approve in the Operations

Manual or otherwise in writing. You may not sell any goods or services through your Business or otherwise under the Marks that we have not approved in writing.

We have the right, but not the obligation, to introduce and make available real estate related services and products, including but not limited to title services, escrow services, mortgage services, property management services, new development services, warranty services, relocation services, and communications systems for a fee. We may, at our sole discretion, revoke approval of a previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

5.6. Furniture, Fixtures, Equipment and Supplies. To ensure a consistent brand and quality of products and services, you must maintain and comply with our quality standards, as described in the Operations Manual, and updated or modified from time to time. You agree to replace worn out or obsolete fixtures, equipment, furniture, or signs, and periodically clean and redecorate the Main Office and all Additional Offices (if any) as needed or as we require. If at any time in our reasonable judgment, the general state of the fixtures, equipment, furniture, or signs used in operating the Business do not meet our then-current standards, we will so notify you, specifying the action you must take to correct the deficiency. We may establish a list of Approved Suppliers pre-approved by us for certain inventory and supplies that you may use. You are under no obligation to use these pre-approved suppliers or vendors in the regular course of your business. However, in the event that we require certain fixtures, equipment, inventory, and/or supplies that you are unable to reasonably locate elsewhere, you acknowledge and agree that you will use these Approved Suppliers.

5.7. Allowances. We and our Related Parties have the right to receive, collect and retain payments, manufacturing allowances, marketing allowances, rebates, credits, monies, or benefits (collectively, “**Allowances**”) offered by our suppliers to you or to us or our Related Parties based upon your and/or other Affiliates’ purchases of products and services. These Allowances may be based on individual or network-wide purchases of products and services. You assign to us or our designee all of your right, title and interest in and to any and all such Allowances and authorize us or our designee to collect and retain any or all such Allowances without restriction (unless otherwise prohibited by the supplier). We may use all amounts so received for any purpose we and our Related Parties deem appropriate.

5.8. Client Service. To promote, preserve and protect the brand and the Marks, all prospective and actual clients must be engaged with in a professional and respectful businesslike manner. You must diligently fulfill your obligations. In the event we become aware of a customer complaint or conduct detrimental to the brand, we may conduct investigations as we deem necessary and require that you resolve all complaints and to eliminate harmful conduct to our satisfaction in order to preserve the value of the brand and System. We may also contact the licensed brokers or other personnel in your office to inquire if they are being given access to all tools and services available and if they are being trained as we recommend. your customer service may be monitored through a client survey developed by us to ensure quality service and brand standards. We can terminate this Agreement if you refuse to participate in the client survey or do not meet the minimum quality service brand standards.

5.9. Your Hiring and Training of Employees, Independent Contractors. You are solely responsible for the day-to-day operations of your Business, including all employment related matters. You are solely responsible for hiring, firing, supervising, disciplining, compensating, paying applicable payroll taxes and day-to-day supervision and control over your employees. You must contract with all agents of the Business, and implement a training program for Business employees and agents in compliance with our required operational and brand standards. At all times, you must have a staff of trained employees and agents sufficient to operate the Business in compliance with our required standards and applicable law. It is your

responsibility to ensure that your employees and agents have completed all training and obtained all required licenses, permits, or certifications required by applicable law, including necessary state real estate license(s).

5.10. Software and Computer Systems.

(a) **Technology Tools.** You will use in the Business the computer system which shall function and have the capability to interact with us and the System in accordance with our then-current information technology requirements as specified in the Operations Manual from time to time (the “Computer System”). In addition, you shall use the web-based proprietary software programs or applications we or our Related Parties developed or that is developed for us by a third party (the “Proprietary Software”), to which we retain all right, title, and interest. You must use any Proprietary Software that we designate. The Proprietary Software will remain the confidential property of us or our third-party supplier. You may be required to enter into our or a third-party supplier’s standard form computer software access or license agreement in connection with your use of the Proprietary Software or other software we determine is necessary for the Business. You must pay us or our third-party suppliers the initial and ongoing then-current license fee(s) related to your use of any Proprietary Software or other required software. We reserve the right to assign our rights, title and interest in any Proprietary Software or any software license agreement to a third party we designate, or to replace the Proprietary Software. In such event, you may be required to enter into a separate computer software license agreement specified by us or the third-party supplier of the Proprietary Software.

(b) **Access and Use Requirements; Equipment.** The computer hardware component of the Computer System must have adequate specifications and be capable of operating the Proprietary Software and any other software we require, including cloud-based software. We may require you to make certain updates and modifications to the Computer System. Currently, we do not maintain direct access to the Customer Data in the Computer System. However, in the future, if changes in the Computer System or the methods in which we interact with our Affiliates or promote the System and network of Affiliates and offices operating under the Marks require implementation of different data collection or reporting, we reserve the right to have access to the Computer System and Customer Data. You must have at the Business, Internet access with a form of high-speed connection as we require. You will be required to use and, at our direction, pay for all future updates, supplements, and modifications to the Computer System.

(c) **Technology Protection.** You are solely responsible for protecting your Business from disruptions, internet access failures, internet connection failures, and attacks by hackers and other unauthorized intruders. For any technology you use in connection with the Business, including the Computer System, you will reasonably ensure such technology has adequate data security controls, including but not limited to: (i) authentication mechanisms designed so that they cannot be bypassed to gain unauthorized access to systems, and implementation of multi-factor authentication (MFA) when applicable; (ii) commercially acceptable encryption of data in transit and at-rest; (iii) password protection measures, such as protecting the form in which they are stored and strong and complex character classes and password length; and (iv) adhere to applicable data privacy and information security laws and any other security measure reasonable for our industry, such as system updates/patching. You and your owners waive any and all claims you may have against us arising from or related to the direct or indirect result of such disruptions, failures, or attacks.

(d) **Additional Products and Technology.** We may offer additional technology tools, processes, or systems related to our technology offering that, should you elect to participate, may require you or your agents to contract with third-party service providers for additional fees, which you agree to pay. Likewise, we may integrate some third-party technology systems and services into our technology offering. You or your agents may be required to contract with third party software providers and pay additional fees, or we may implement those additional technology tools, processes, or systems, and you will be responsible for paying additional fees related to those implementations.

(e) **Technology Service Variations by MLS.** The capabilities of the services that we offer may vary to each Affiliate based on MLS rules, data feed restrictions, state and local laws or any other restrictions that may arise.

5.11. Telephone Number. You agree to maintain a dedicated telephone number for your Business.

5.12. Multiple Listing Services Data.

(a) The Responsible Broker will need a real estate brokers license(s) from the state(s) in which you do business. You must be a member of the local or regional multiple listing services (MLS), and obtain a data feed, as we specify. You understand that if you fail to provide us with the information from your MLS, then you may not receive certain services or access to certain tools of the Computer System, including the Proprietary Software, and you will be in default under this Agreement. Therefore, in order to access all services and tools under the Computer System, and to remain in compliance with this Agreement, you must provide us with the approved data feed from your MLS. N

(b) You must provide us with a data feed from your MLS(s) that enables you, your agents, us, and our Related Parties to display listings on the Internet for consumers to view online. We may utilize this data feed for any reason, within the rules of the relevant MLS(s) or data feed providers, to run additional reports, aggregate information, track trends, or for any other allowed internal or public-facing marketing or data tracking initiative. You understand and agree that you will be solely responsible for any initial and ongoing fees regarding your Business' MLS feed. Such fees are based on local MLS rules.

5.13. Brand Image and Remodeling. You agree to keep your Main Office and Additional Offices (if any) clean and well maintained in order to uphold the image and goodwill of our brand and System, in accordance with the Operations Manual including, but not limited to, the Brand Guidelines.

5.14. Compliance with Laws and Good Business Practices. You must give prompt, courteous and efficient service to the public and operate the Business in compliance with the requirements set forth in the Operations Manual and professional standards to preserve and enhance the value and goodwill of the Marks and the System. You will uphold, and take reasonable steps to ensure that your brokers, agents and employees uphold, high standards of honesty, integrity, fair dealing and ethical conduct in dealing with the public, customers of the Business, other franchisees, us and our Related Parties. You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Business and must operate the Business in full compliance with all applicable laws, ordinances and regulations. You must ensure the Responsible Broker and all other employees and agents obtain and maintain, for the duration they are affiliated with the Business, all licenses, permits, certifications required by applicable law. You must comply with all laws and regulations relating to privacy and data protection and must comply with any privacy policies or data protection and breach response policies we periodically may establish, including laws and regulations of the real estate commission or other licensing authority governing your operation, and applicable data protection, advertising, intellectual property, Do Not Call, and fair housing laws and the Real Estate Settlement Practices Act.. You hereby authorize any federal, state or local body regulating or supervising real estate practices to release to us information about complaints and disciplinary actions related to your (or your Related Parties') practices.

You must notify us in writing within 24 hours of the commencement of any action, suit, proceeding or investigation, and of the issuance of any order, injunction, or award of decree by any court, agency, or other governmental instrumentality, that may adversely affect the operation or financial condition of you or the Business. We and you acknowledge that disputes may arise between you, or your Related Parties or agents,

and a client or other Person involved in a real estate transaction, and that it is in the best interest of all parties, when possible, to quickly resolve disputes. You must promptly respond to all complaints received from your clients or other individuals in an attempt to resolve the dispute in a reasonable business manner. In connection with any consumer complaints that we receive from your clients regarding the Business, you will cooperate and respond to any inquiry from us and provide us with all information reasonably related to any such complaints. You will not make or publish any statement or advertisement which would reasonably be expected to demean the image, value, identity, reputation or goodwill associated with our name or the Marks or the name and Marks of our Related Parties. This covenant is independent of and will survive any termination, expiration or Transfer of the Franchise. You must notify us immediately of any suspected data breach at or in connection with the Business. You will not conduct any business or advertising practice which injures other CHRISTIE'S INTERNATIONAL REAL ESTATE businesses, the System or the goodwill associated with the Marks.

5.15. Conversion Warranty. If you are converting an existing brokerage, you will not be required to pay to us Royalty Fees on real estate transactions that are under contract at the time of the Effective Date but close after the Effective Date of this Agreement. However, you acknowledge and agree to pay to us Royalty Fees on real estate transactions that are under contract during the term of this Agreement but close after expiration, termination, or transfer of this Agreement.

5.16. Insurance. You agree to purchase and maintain in force, at your expense, all of the insurance coverage we require in the types and amounts described in the Operations Manual. All insurance policies will: (1) be issued by an insurance carrier(s) acceptable to us; (2) will name us and our Related Parties as an additional named insureds; (3) contain a waiver of the insurance company's right of subrogation against us; (4) contain the minimum insurance coverage that we designate in the Operations Manual for each CHRISTIE'S INTERNATIONAL REAL ESTATE business that you operate, including this Business; and (5) provide that we will receive 30 days' prior written notice of any material change in or termination, expiration or cancellation of any policy.

We periodically may, with prior written notice to you, increase the minimum liability protection requirements, and require different or additional kinds of insurance to reflect inflation or changes in standards of liability. If you at any time fail to maintain in effect any insurance coverage we require, or to furnish satisfactory evidence thereof, we, at our option, may obtain insurance coverage for you. You agree to promptly sign any applications or other forms or instruments required to obtain any insurance and pay to us, on demand, any costs and premiums we incur. You will provide us with copies of the certificate of insurance, insurance policy endorsements or other evidence of compliance with these requirements at least 2 weeks before you take possession and commence development of the Business premises, and at such other times as we may require. In addition, you will provide to us a copy of the evidence of the renewal or extension of each insurance policy in a form we require.

5.17. Client Referrals. You are required to comply with the programs, policies, and procedures that we designate regarding client referrals, which may be modified, suspended, or augmented from time to time at our option. If we do not have any referral programs, policies, or procedures in place at the time that you communicate with a client referral, and except as otherwise permitted by us, you are required to direct any client referrals to other Affiliates. If, at the time during this Agreement, you are a member of an affiliation approved by us and are required by said affiliation to comply with its programs, policies, and procedures, then you may continue to abide by those approved membership agreements. As of the date of this Agreement, the third-party affiliations that you are currently a member of are listed on **Exhibit 6**. For any additional, subsequent, or substitute affiliations that you may wish to join, you must secure our approval in advance, and you and we must revise **Exhibit 6** after such approval.

6. MARKS

6.1. Ownership and Goodwill of Marks. Neither we nor our Related Parties own the Marks. Christie Manson & Woods Limited, a former affiliate of ours, and a company incorporated and registered in England and Wales with company no. 1128160, owns all rights in and to the Marks (“IP Owner”). IP Owner has licensed to us the right to use and sublicense the Marks via our affiliate through a trademark license agreement (the “Trademark License Agreement”). You and we must comply with the Trademark License Agreement. The Trademark License Agreement is confidential, but your obligations under the Trademark License Agreement are outlined in this Agreement and are incorporated into the Brand Guidelines and the Operations Manual. You acknowledge that you have no interest in or to the Marks, and that your right to use the Marks is derived solely from this Agreement and is limited to the conduct of business in compliance with this Agreement, the Operations Manual, and all applicable specifications, standards, and operating procedures that we require during the term of this Agreement. You agree that your use of the Marks and any goodwill established exclusively benefits IP Owner, and that you receive no interest in any goodwill related to your use of the Marks or the System. You acknowledge and agree that all uses of the Marks and all goodwill generated by or accruing from the use of Marks under this Agreement shall inure solely to the benefit of IP Owner or its relevant corporate affiliate. You must not, at any time during the term of this Agreement or after termination or expiration of this Agreement, contest or assist any other person in contesting the validity or ownership of any of the Marks.

6.2. General Limitations on Your Use of Marks. You agree to use the Marks as the identification of the Business, in accordance with the Operations Manual including, but not limited to, the Brand Guidelines, but you must identify yourself as the independent owner in the manner we direct. As described further in Section 6.8 below, you must not use any Mark as part of any corporate name or in any modified form, and you cannot use any Mark in selling any unauthorized product or service or in any other manner unless we have expressly authorized such use in writing. You agree to display the Marks prominently and in the manner we direct on all signs and forms. Subject to our rights described in this Agreement, you agree to obtain fictitious or assumed name registrations as may be required under applicable law.

6.3. Additional Limitations on Your Use of the Marks Pursuant to the Trademark License Agreement. Our and your use of the Marks is subject to the Trademark License Agreement. You agree to the following additional obligations, pursuant to our obligations under the Trademark License Agreement:

- (a) You shall not represent that you own any of the Marks.
- (b) You shall not use any Marks that consist of or incorporate “CHRISTIE’S” in any manner other than in the phrase “CHRISTIE’S INTERNATIONAL REAL ESTATE.”
- (c) You shall not use the font of the “CHRISTIE’S” Marks for any words other than “CHRISTIE’S.”
- (d) You must use the Marks in combination with the marks set forth in Section 7 of **Exhibit 1** of this Agreement, which may be modified from time to time in writing, with our prior written consent.
- (e) You shall market, hold out and otherwise position the Marks as a leading luxury brand. You shall not market, hold out or otherwise position any other trademarks, trade names, service marks, domain names, logos or other commercial symbols as being associated with more luxurious real estate brokerage services or more luxurious real estate properties than those offered, marketed or sold under the Marks.

(f) You agree that you are neither directly nor indirectly controlled by Phillips Auctioneers Limited, Beijing Poly International Auction Co. Ltd., China Guardian Auctions Co. Ltd., or their successors or any other competitor that we may designate from time to time.

(g) Your rights under this Agreement are contingent on you marketing, selling, or leasing only “luxury real estate” and maintaining an average selling price for properties that we designate from time to time, as further described in the Operations Manual, which definitions of, and formulas for calculating, “luxury real estate” are prescribed by IP Owner in the Trademark License Agreement. You may designate properties as “luxury real estate” based on your market and relevant market and competitive issues; provided however, that we have the right to require you to remove such designations in our sole discretion.

(h) You shall not acquire, file, seek to register or otherwise obtain any registration or application for any Mark that consists of, incorporates, could reasonably be expected to be confusingly similar to or dilutive of, or is a variation of, any of the Marks;

(i) You shall not use any of the Marks in any manner that does or could reasonably be expected to (i) dilute, impair or diminish the value or enforceability of any of the Marks, IP Owner’s other intellectual property, or their respective associated goodwill, or (ii) allow any of the Licensed Marks to become generic or otherwise lose their distinctiveness;

(j) You shall not take any action to challenge, contest, oppose, cancel or otherwise prejudice IP Owner or any of its Related Parties’ rights, title or interest in or to the Marks or the validity or enforceability of the Marks (or of any registration or application therefor), or assert any common law rights in the Marks;

(k) You shall not adopt or use any variation or derivation of any of the Marks or any word, phrase, symbol or Mark that could reasonably be expected to be confusingly similar to or dilutive of any Mark;

(l) You shall not use any of the Marks with any other word, phrase, symbol or trademark so as to form a composite trademark, except as set forth in Section 7 of **Exhibit 1** of this Agreement, or as otherwise permitted by the Operations Manual;

(m) You shall not grant or attempt to grant an encumbrance on, or record any encumbrance against, any of the Marks including, but not limited to, any mortgage, deed of trust, pledge, security interest, claim, license, encumbrance, easement, lien, charge, option, restriction on transfer, claim, lease, right of first refusal, easement, servitude, conditional sale or other title retention agreement, defect in title or other restriction of a similar kind;

(n) You shall not engage in any conduct or behavior, make any statements or representations or otherwise communicate (whether in writing, orally or otherwise), or take any action, which does or could reasonably be expected to defame, diminish, tarnish, disparage, bring into disrepute or otherwise damage (i) any of the Marks or the goodwill associated with the foregoing, (ii) our business, our or any of our Affiliates, or their respective reputations, or (iii) the IP Owner or any of its Related Parties, the business of the IP Owner or any of its Related Parties, or their respective reputations; and

(o) You shall follow any other rules that we may establish regarding the Marks, which may be described in the Operations Manual (including, but not limited to, the Brand Guidelines) or otherwise in writing.

6.4. Restrictions on Internet and Website Use. We retain the sole right to advertise the System on the Internet and to create, operate, maintain, and modify, or discontinue the use of, a website using the Marks. You are required to own and operate a website to advertise your Business and the properties offered for sale by your Business, provided that (A) all uses of the Marks comply with the Brand Guidelines, and (B) that you comply with our requirements for (1) linking or framing our website; (2) the use, registration, and ownership of Internet domain name; and (3) the use any e-mail addresses related to the Business. You will not register, as Internet domain names, any of the Marks or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar. Further, you may not market, advertise or promote your Business or conduct any business on the Internet, including using social and professional networking sites to promote your Business, except as provided in our written social media policy (if any) or with our prior written approval. You may own and operate your own social media accounts provided that you operate them subject to our social media policy (if any) set out in the Brand Guidelines.

6.5. Notification of Infringements and Claims. You must notify us in writing within 24 hours of learning of any apparent infringement of or challenge to your use of any Mark, or any claim by any person of any rights in any Mark or any similar trade name, trademark, or service mark of which you become aware. You must not communicate with any person other than us and our counsel regarding any infringement, challenge, or claim. We may take any action we deem appropriate and have the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating to any Mark. You will sign all documents, provide assistance and take all action as we may reasonably request to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain our interests in the Marks.

6.6. Litigation. You will have no obligation to and will not, without our prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. You will, however, within 24 hours of learning of any alleged claim or complaint, notify us of such claims or complaints made against you respecting the Marks and will, at your expense, cooperate in all respects with us in any court or other proceedings involving the Marks. We will pay the cost and expense of all litigation we incur, including attorneys' fees, specifically relating to the Marks. We and our legal counsel will have the right to control and conduct any litigation relating to the Marks.

6.7. Changes to Marks. You cannot make any changes or substitutions to the Marks unless we so direct in writing. As between you and us, we reserve the right to replace, modify, or discontinue use of any Mark, or to use one or more additional or substitute trademarks or service marks. In such event, you will, at your expense, comply with such modification or substitution within a reasonable time after we notify you.

6.8. Entity Name Requirements. You may not use the Marks, including the words "CHRISTIE'S" or "CHRISTIE'S INTERNATIONAL REAL ESTATE" or any confusingly similar words, as any part of the name of a partnership, corporation, LLC or other entity; however, you are required to operate under the trade name or DBA "CHRISTIE'S INTERNATIONAL REAL ESTATE" with a suffix or prefix that uniquely identifies your Office as we approve before you may open your Business (the "Trade Name"). Your Trade Name must be displayed in accordance with our Operations Manual and the Brand Guidelines. You must not change your Trade Name without our prior written consent.

6.9. Name and Likeness. You hereby grant us a perpetual, non-exclusive license to use your, your employees, and your agents' name and likeness in all forms and media for advertising, trade, and any other lawful purposes, without compensation to you, your employees, or your agents.

7. ADVERTISING

7.1. Advertising Fund. We reserve the right to require that you to pay a monthly advertising fee (“Advertising Fund Fee”) for deposit into a system marketing fund (the “Advertising Fund”). As of the Effective Date, we have not established an Advertising Fund, and we do not collect the Advertising Fund Fee. We may implement, begin collecting, and increase the Advertising Fund Fee at any time upon written notice to you; however, the Advertising Fund Fee will not exceed three percent (3%) of Gross Revenue. If we begin collecting the Advertising Fund Fee, you will pay the Advertising Fund Fee in the same manner and at the same time as the Royalty Fee. If we begin collecting the Advertising Fund Fee, we will place all Advertising Fund Fees we receive in the Advertising Fund and we will manage such Advertising Fund. Any CHRISTIE’S INTERNATIONAL REAL ESTATE businesses operated by us or our Related Parties will not be required to contribute to the Advertising Fund. The Advertising Fund will pay expenses in connection with the general promotion of the Marks and the System, which may include, but are not limited to, the development and operation of a call center; market research; customer retention; incentive programs; sales development programs; media planning; media buying fees; creating and producing advertising materials; outside advertising agency fees for creating advertising programs; public relation activities; outside public relations agency fees; technology investments; digital marketing; and reimbursing us the costs of administering the Advertising Fund. Additionally, we may use up to ten percent (10%) of the Advertising Fund to solicit new franchisees.

The Advertising Fund will not be a trust or escrow account, and we have no fiduciary obligations regarding the Advertising Fund. We cannot ensure that any individual franchisees will benefit directly or on a pro rata basis from the future placement of any such advertising in its local market. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the Advertising Fund in that year. We will determine the methods of advertising, media employed, and scope, contents, terms and conditions of advertising, marketing, promotional and public relations campaigns, and programs. Upon written request, we will provide you an annual unaudited statement of the receipts and disbursements of the Advertising Fund for the most recent calendar year. Any end-of-year surpluses or shortages in the Advertising Fund in a given year will carry over to the next year.

7.2. Local Advertising and Promotions. All advertising and promotions must conform with the Operations Manual, including the Brand Guidelines. We may require you to use our advertising templates or materials in accord with our Operations Manual, including our Brand Guidelines, or as we otherwise approve in writing. If you use or develop your own marketing materials for your Business, we, in our sole discretion, have the right to require you to remove any marketing materials or advertising that do not comply with the Operations Manual, Brand Guidelines or any laws. You shall not, directly or indirectly, advertise commission rates through any medium (including, but not limited to, print advertising, digital advertising, and social media). You agree to conduct all advertising and public relations in a dignified manner and to conform to the standards and requirements we specify from time to time in the Operations Manual or other written materials.

7.3. Additional Marketing Programs. You agree to participate in all promotional programs and that we create, offer, or advertise.

7.4. Website. We retain the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of, a website using the Marks, except to the extent that we may grant you the right, in writing, to establish a website for your Business and use the Marks therein. Accordingly, you agree to the following:

(a) **Website Requirements.** We shall mutually determine the URL extension and location-specific office name for your Business. We have the right to designate certain properties that must be listed on your Business’s website and designate that certain properties must not be listed on such website. You

must utilize an approved, professional photographer and, in some cases, videographer to capture imagery for your Business's website and you shall license to us access to the photos and videos and a license to use them. You understand and agree that you will be responsible for all website hosting and related fees that we or you incur on behalf of your Business. We may modify and discontinue the use of any website at any time, at our option.

(b) **Websites/URLs.** Your website must comply with the policies that we establish from time to time which include, but are not limited to, the Brand Guidelines that are contained in the Operations Manual. As further described in Section 6.4 of this Agreement, you must not register, as Internet domain and/or URL names, any of the Marks, a derivative of a Mark, or a mark, image or words confusingly similar to the Marks, or any abbreviation, acronym, or phonetic or visual variation of the Marks, without our prior written approval. You hereby agree that upon expiration or earlier termination of this Agreement, you will immediately de-brand and de-identify as an affiliate of CHRISTIE's INTERNATIONAL REAL ESTATE.

If your URL contains our Marks, you must cancel such URL registrations for the Business or, at our option, assign your URL(s) to us without any compensation from us. You must cause all agents to cancel all URLs containing our Marks that they may have established in violation of this Agreement and remove all references to the Marks, logos, trade names, service marks, our unique style, colors, color patterns and designs, and other indicia of the brand, whether in signage, print or online, including in digital marketing, as defined in Section 7.5 below.

7.5. Digital Marketing. All digital marketing must comply with our social media policy in the Brand Guidelines that are contained in the Operations Manual. For the purposes of this Section 7.5, "digital marketing" includes, but is not limited to, social media accounts (including but not limited to Facebook, Twitter, Snapchat, TikTok, Instagram and LinkedIn and other similar sites), applications, digital advertising (including pay-per-click and display ads) or other means of digital marketing to promote the brand, Business, Marks and licensing or franchising opportunities.

7.6. Digital Campaigns. We may negotiate contracts with vendors such as realtor.com, Zillow, Trulia, Google AdWords, Facebook, and Instagram. If you choose to participate, you must pay your pro-rata share either directly to the vendor or reimburse us if we are paying the vendor.

7.7. Print Design and Marketing Collateral. We may, but are not required to, create print collateral and publications for your Business, which are detailed further in our Operations Manual. We may provide you with access to print marketing templates for company-wide marketing and branding. If requested, we may assist with the customization of standard, brokerage-wide print advertisements and printed pieces for each market, and you will pay our Special Assistance Fee for such assistance. We may offer certain enhanced marketing programs to qualifying properties that we designate. We may modify, suspend, or eliminate any marketing assistance, including our enhanced marketing programs, at any time, including the format (e.g., digital or hard copy). We may require that you pay additional fees for certain marketing collateral and publications that we provide including, but not limited to, for magazines and brochures.

7.8. Ownership of Print Design, Marketing Collateral, and Other Copyrightable Materials. You acknowledge and agree that we and/or our Related Parties and/or our licensors are the owners of certain copyrighted or copyrightable materials, including the collateral and publications that we create for the Business or the network, as well as the Operations Manual, and that the copyrights and other intellectual property rights in these materials are valuable property of ours and/or our Related Parties and/or our licensors. We authorize you to use the materials on the condition that you comply with our requirements, as set forth in our Operations Manual. You acknowledge that this Agreement does not confer any interest in these materials to you, other than the right to use them in the operation of the Business, in compliance

with the terms of this Agreement. If you prepare any adaptation, improvement, translation or other item derived from these materials that we and/or any of our Related Parties and/or our licensors own, whether or not such adaptation, improvement, translation or other derived item was authorized by us, you agree that such material will be our property (or the property of our affiliate or licensor) and you hereby assign all your right, title and interest therein to us (or our designee or licensor). You agree to execute any documents, in recordable form, which we deem necessary to reflect or perfect such ownership. You agree that your execution of this Agreement shall be deemed to be your power of attorney in favor of us to execute all such documents on your behalf to carry out and effectuate the purposes and intent of this provision.

7.9. Publicity. Except as required by law, you may not make any press release or other public announcement respecting the subject matter of this Agreement without our written consent as to the form of such press release or public announcement.

7.10. Office Sign. You must install one (1) or more exterior signs displaying your Trade Name on your Main Office and any Additional Offices. Your sign(s) must conform to the Brand Guidelines. The sign(s) utilizing our Marks must be installed within ninety (90) days from the Effective Date of this Agreement. You must obtain our prior written permission for any exception to the office sign requirements due to local ordinances or other reasons and you must provide written documentation reflecting the reasons for varying the signage.

8. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

8.1. Definition. “Confidential Information” means the methods, techniques, information, data, formats, marketing and promotional techniques and procedures, specifications, information, systems, software, and knowledge of and experience in operating and franchising CHRISTIE’S INTERNATIONAL REAL ESTATE businesses that we communicate to you or that you otherwise acquire in operating the Business under the System including, but not limited to, the Operations Manual and Brand Guidelines and the terms of this Agreement. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by you.

8.2. Confidentiality. You acknowledge and agree that you do not acquire any interest in the Confidential Information, other than the right to use it in developing and operating the Business pursuant to this Agreement, and that the use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. You acknowledge and agree that the Confidential Information is proprietary, is our trade secret, and is disclosed to you solely on the condition that you agree that you: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any Confidential Information disclosed in written form; (4) will adopt and implement all reasonable procedures we direct to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Business employees; (5) will require all managers and other employees with access to Confidential Information to sign such an agreement in a form we approve; and (6) will not disclose the terms of this Agreement other than to your direct employees on an as-needed basis. The restrictions on your disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent you are legally compelled to disclose this information, if you use your best efforts to maintain the confidential treatment of the Confidential Information, and provide us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be so disclosed. Notwithstanding anything in this Agreement to the contrary, you may, in accordance with any applicable law, including the federal Defend Trade Secrets Act, disclose Confidential Information, including our trade secrets, (a) in confidence, to federal, state, or local government officials, or to your attorney, for the sole

purpose of reporting or investigating a suspected violation of law; or (b) in a document filed in a lawsuit or other legal proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with any applicable law or create liability for disclosures expressly allowed by law.

You may not use or input Confidential Information in connection with any machine learning (supervised, unsupervised, and reinforcement learning), generative AI, augmented human intelligence development, training any artificial intelligence (“AI”) model, algorithm improvement, or similar data aggregation activities. This prohibition is intended to ensure a comprehensive scope, covering all aspects of AI, to avoid limiting this to specific technologies or implementations. Such uses shall not be deemed related to the performance of this Agreement and are expressly prohibited. You shall not input any Confidential Information into any generative AI platform or disclose such information to any provider or source of generative AI services. You shall opt out of allowing any provider or source of generative AI to utilize Confidential Information for training of any AI model or for other purpose.

9. REPORTS AND REVIEW

9.1. Records. During the term of this Agreement, and for three (3) years after the expiration or termination of this Agreement, you must maintain accurate financial and operational records in the form we require (“Records”). You must provide to us the Records in the manner and format we require.

9.2. Reports. You will deliver or provide access to us the following: (1) monthly sales reports relating to Gross Revenue, which are due within seven (7) days of the calendar month end and; (2) within sixty (60) days after the end of each fiscal year, an annual profit and loss statement and source and use of funds statement for the Business for the year and a balance sheet for the Business as of the end of the year; and (3) such other reports we require from time to time. You also will provide to us copies of all records, information, and supporting documents as we require from time to time. All financial statements, reports, and information must be on forms we approve and signed and verified by you.

9.3. Profit and Loss. We have the right to require that you provide to us, once a year, a profit and loss statement of the Business, in the manner and form we specify, for the preceding 12-month period. Notwithstanding the foregoing, we reserve the right to require submission of these financial statements and reports if at any time we have a reasonable concern that you are not complying with all the terms and conditions in this Agreement, or at any time during the Term if you have committed a breach or default, even if such breach or default has been cured, and we may request such documents for review at any time if the amount of monthly Royalty Fees you pay to us declines by an aggregate of ten percent (10%) or more during any four consecutive month period.

9.4. Inspections. You must permit us and IP Owner to review, inspect, and audit the Business, records, Main Office, all Additional Offices (if any), in person, by mail, or electronically, and to inspect the operations of your Business. This includes the right to inspect and copy all tax returns and bank statements that may show revenues from the Business. We also have the right to require that you implement a plan to resolve issues that we discern from any review we conduct. You will fully cooperate with our representatives making any inspection, and you will permit our representatives to take photographs or videotapes of the Main Office and all Additional Offices (if any) and to interview your employees, agents, and customers. If, as part of a review of your business operations, we request a copy of any business records or other documents related to the Business, you must send us at your expense these records within five (5) business days of receiving our request.

9.5. Result of Audit; Unreported Net Sales. If any examination or audit discloses an understatement of Gross Revenue, you will pay to us, within fifteen (15) days after receipt of the examination or audit report, the Royalty Fees on the amount of the understatement, plus interest (at the rate provided in Section 3.10 above) from the date originally due until the date of payment. You must reimburse us for the cost of the audit or examination, including the charges of any independent accountants and the travel expenses, room and board and compensation of our employees, if any examination or audit results in a determination that Gross Revenue for any month are understated by 5% or more. The foregoing remedy is in addition to all other of our remedies and rights under this Agreement or applicable law.

9.6. Independent Access to Information. You agree that we shall have and that you will provide to us independent access to all information related to the Business that is generated or stored in your computer systems, which includes, but is not limited to, customer, transaction, and operational information. You must at all times give us unrestricted and independent electronic access to your computer systems and information.

10. TERMINATION

10.1. Termination by Us without Notice or Opportunity to Cure. You will be in default, and we may terminate this Agreement without notice to you and without an opportunity to cure if:

(a) **Voluntary Bankruptcy.** If you make an assignment for the benefit of creditors, file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for you or the Business;

(b) **Involuntary Bankruptcy.** If proceedings are commenced to have you adjudicated bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or the Business without your consent, and the appointment is not vacated within 60 days; or

(c) **Dissolution.** If you are a corporation, limited liability company, partnership or other business entity and any action is taken which purports to seek dissolution or liquidation of such entity without our prior written consent.

10.2. Termination by Us with Notice and Without Opportunity to Cure. We have the right to terminate this Agreement upon notice to you without providing you an opportunity to cure for any of the following defaults:

(a) If you or any of your managers, directors, officers, or any Principal Owner commits a material violation of any law, ordinance, rule, or regulation of a governmental agency or department reasonably associated with the operation of the Business or if you are convicted of or plead guilty or no contest to a felony.

(b) If you include a materially false representation or omission of fact in your application to us for this Business.

(c) If you or your Principal Owners commit any fraud or misrepresentation in the operation of the Business.

(d) If you or your principals materially breach any other agreement with us or any of our Related Parties, or threaten any material breach of any such agreement, and fail to cure such breach within any permitted period for cure.

(e) If you, the Responsible Broker, or any of your managers fail to operate the Business in full compliance with federal, state, and local laws and regulations.

(f) If you, the Responsible Broker, or any of your managers or agents are involved in any act or conduct, including in public or on the Internet, which materially impairs or otherwise is prejudicial to the goodwill associated with the Marks or the System including, but not limited to, a violation of Section 6.3(n).

(g) If you or a Principal Owner makes an unauthorized assignment or transfer of this Agreement, the Business, or an ownership interest in you, or fails to complete an approved transfer in a timely manner.

(h) If you commit three or more breaches of this Agreement, the Operations Manual, or any other agreement with us, in any 12-month period regardless of whether such breaches were cured after notice.

(i) If you violate any part of Section 6 including, but not limited to, Section 6.3.

10.3. Termination upon Notice and 30 Days' Notice to Cure. Except for those defaults set forth in Sections 10.1 and 10.2 of this Agreement, if after you are given notice given by us, you fail to cure the following defaults listed below after thirty (30) days, we may terminate this Agreement:

(a) If the required individuals do not complete, to our satisfaction, our initial training program in accordance with our standards.

(b) If you fail to pay us Royalty Fees, or any other amounts due and owing to us or our Related Parties within 10 days from the date such payment was due.

(c) If you fail to notify us regarding your choice of a site for the Main Office or any Additional Office.

(d) If you fail to open the Business within 120 days from the Effective Date.

(e) If you abandon the Business or discontinue the active operation of the Business for three or more business days, except when active operation is not reasonably possible, such as due to a natural disaster.

(f) You are no longer able to or cease to be able to conduct residential real estate brokerage services in any part of your Protected Territory for whatever reason, provided, however, that in lieu of termination, we may, upon notice to you, modify your Protected Territory to terminate your rights in the part of the Protected Territory in which you are no longer operating.

(g) If you refuse to permit us to inspect or audit your Business.

(h) If any examination or audit discloses an understatement of Gross Revenue of more than 5%.

(i) If you, the Responsible Broker, or any of your managers fail to conform to the material requirements of the System or the material standards of uniformity and quality as described in the Operations Manual or as we have established under the System or misuse the Marks.

(j) If you fail to maintain the required insurance coverage or fail to provide the required evidence of insurance to us, as we require under this Agreement and in the Operations Manual.

(k) If you breach or violate any other covenant, obligation, term, condition, warranty, or certification under this Agreement, including your failure to comply with any other term or condition of this Agreement, Operations Manual, or any ancillary agreement between you and us (or our Related Parties).

10.4 Termination upon Death/Disability of Majority Owner. If a majority Owner dies or becomes physically or mentally disabled (corroborated by written evidence from a treating physician) and you elect to wind up the Business and distribute all of the Business's assets to the Owners (as opposed to transferring the assets to a third party), you may terminate the Agreement, without penalty, if the following conditions are satisfied:

- (a) You provide us at least ninety (90) days prior written notice of your intent to terminate;
- (b) At the time of the notice, the deceased or disabled majority Owner owns at least 51% of the equity interest in you or the Business's assets and manages your day-to-day operations;
- (c) You are not in default on the date that the notice is delivered or on the date of termination ("Termination Date");
- (d) You provide any documents we request demonstrating your dissolution;
- (e) Before the Termination Date, you pay any outstanding indebtedness you owe us including, but not limited to, Royalty Fees and all amounts not previously paid and/or forgiven under any existing promissory notes (or any other instrument of indebtedness);
- (f) You and each remaining Owner agree that they will not own or operate any real estate brokerage within two miles of any authorized Office for a period ending the earlier of (i) the Expiration Date, or (ii) two years after the Termination Date; and
- (g) You enter into a written termination agreement, in a form provided to you. We will not be entitled to recover any liquidated damages under the Agreement if you comply with this Section and perform the post-termination obligations within ten (10) days after the Termination Date.

10.5 Our Pre-Termination Options. In lieu of termination, at our option, we may take the following actions:

(a) Terminate or modify any rights that you may have with respect to protection, "exclusivity," or quasi-exclusivity in any Protected Territory granted hereunder, effective ten (10) days after delivery of written notice thereof to you;

(b) We may withhold from you benefits, plans, promotions or products that might be available to other Affiliates, and/or we may not authorize you to participate in certain meetings or events, unless and

until you cure your default(s) and operate in compliance with this Agreement and our rules, policies, and standards; and/or

(c) Require you to provide us with a detailed business plan in such form and containing such content as we may specify, which addresses the issues and concerns raised by the defaults.

(d) Suspend all services provided to you under this Agreement or otherwise, including education, marketing assistance, sales of products and supplies, leads from website, technology tools, intranet portal (including any successor portal sites and/or applications), and award(s) eligibility for you and the agents affiliated with you;

(e) To suspend taking or placing referrals, leads, or relocation requests, for or from you and to direct any inquiries regarding these or other programs or services to other franchisees; and/or

(f) To eliminate listing you and/or publishing your real estate listings in any advertising, marketing or promotional materials, including on our principal website and third-party websites to which we may direct listing information.

If any of such rights, options, arrangements, or areas are terminated or modified in accordance with this Section 10.4, such action shall be without prejudice to our right to terminate this Agreement, and/or to terminate any other rights, options or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement. The options in this Section will have no effect on, and will not release you from, any obligation you owe to us and/or our Related Parties. Your right to cure does not restrict our right to file any legal action or exercise any of our pre-termination options before, during or after the cure period.

11. POST TERMINATION OBLIGATIONS

11.1. Post-Termination Obligations. If this Agreement expires, is not renewed, or is terminated for any reason by any party, including a sale of the Business, you must immediately:

(a) Cease operating the Business under the Marks and discontinue using any of our Marks or any marks which are likely to be confused with our Marks. If you fail to remove any signs and other materials bearing the Marks, you agree that we may do so at your expense, and our actions will not be considered trespassing. You acknowledge and agree that following termination or expiration of this Agreement, you will comply with any continuing obligation to cooperate with us on or relating to any litigation, acquisition, or intellectual property rights.

(b) Remove any and all CHRISTIE'S INTERNATIONAL REAL ESTATE Marks or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar from all of your social media accounts, names, and handles.

(c) Pay to us all amounts owing to us and our Related Parties.

(d) Cancel all fictitious names, Trade Names or other listings which you have filed for use of any of the Marks.

(e) Abide by any other covenant in this Agreement that requires performance by you after you are no longer an Affiliate.

(f) Make all filings with the relevant court or government (federal, state, local, foreign or provincial), or any political subdivision thereof, including any department, commission, agency or other regulatory, administrative or governmental body or instrumentality, and take all other actions necessary or desirable to change the corporate name, trade name, assumed (or d/b/a) name and any other similar corporate identifier to any name and identifier that does not constitute or include any Mark, or variation or composite thereof (if any);

(g) Irrevocably assign to IP Owner, or a designee, as we designate at the instruction of IP Owner, all Internet domain names that consist in part of, or incorporate, any of the Marks (if any); and

(h) Execute, from time to time, any necessary papers, documents, and assurances to effectuate the intent of this Section 11.

(i) **Effect of Continued Use of the Marks.** On expiration or termination, any continued use of the Marks by you, the Business or your agents: (i) will constitute willful and knowing infringement, dilution of our trademark rights and unfair competition; and (ii) may constitute trafficking in a counterfeit mark for which both civil remedies and criminal penalties may be imposed.

11.2. Return of Information. Upon termination or expiration of this Agreement, you will return to us all of our Confidential Information embodied in tangible form, and will destroy, unless otherwise agreed, all other sources that contain or reflect any such Confidential Information. Notwithstanding the foregoing, you may retain Confidential Information as needed solely for legal, tax, and insurance purposes, but the information retained will remain subject at all times to the confidentiality restrictions of this Agreement.

11.3. Our Option to Purchase the Business. If you were new to the real estate brokerage business before you signed this Agreement and became an Affiliate, and you did not have an existing real estate brokerage business that converted to the CHRISTIE'S INTERNATIONAL REAL ESTATE brand, then if this Agreement expires or is terminated for any reason, we have the option, but not the obligation, upon 60 days' written notice from the date of expiration or termination, to purchase from you all the tangible and intangible assets relating to the Business (excluding any unsalable inventory, cash, short term investments and accounts receivable) (collectively, the "Purchased Assets"). We may assign this option to purchase, and assignment separate and apart from the remainder of this Agreement. The purchase price for the Business will be the book value of the Purchased Assets; provided that: (a) we may exclude from the Purchased Assets any products or other items that are not in compliance with this Agreement; and (b) we may exclude from fair market value any provision for goodwill or similar value attributable to intangible property (such as the Marks and Confidential Information). If the parties cannot agree on fair market value within a reasonable time, we may designate an independent appraiser to determine the fair market value of the Purchased Assets. The determination of such appraiser will be binding on the parties hereto, and the costs of such appraisal will be divided equally between you and us. The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur within a reasonable time, not to exceed 60 days, after the fair market value is determined. At the closing, you will deliver documents transferring good and merchantable title to the assets purchased, free and clear of all liens, encumbrances and liabilities to us or our designee and such other documents we may reasonably request to permit us to operate the Business without interruption. We may set off against and reduce the purchase price by all amounts you owe to us or any of our Related Parties. If we exercise our option to purchase the Business, we may, pending the closing, appoint a manager to maintain Business operations.

11.4. Continuing Obligations. All obligations and rights of us and you which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect following its expiration or termination and until they are satisfied or expire.

11.5. Liquidated Damages.

(a) If this Agreement is terminated due to your default, you must pay to us a lump-sum payment, within thirty (30) days of termination, an amount calculated as follows: (a) the average of your monthly Royalty Fees for the last 12 months immediately preceding the termination of this Agreement (or such shorter time as you were open); (b) multiplied by the lesser of 24 or the number of months remaining in the term of this Agreement.

(b) The payments called for in this Section 11.5 constitute liquidated damages for causing the premature termination of this Agreement. A precise calculation of the full extent of damages that we will incur if this Agreement terminates because you default cannot be reasonably determined. Nevertheless, the parties agree that the lump-sum payment provided under this Section 11.5 is reasonable in light of the damages for premature termination that may reasonably be expected to occur in such event. The amounts contemplated under this Section 11.5 are not a penalty, the payment is intended by the parties only as a compensatory remedy for past breaches and not as a preventative remedy to deter future breaches, and the amount does not represent a price for the privilege of not performing nor does the payment represent an alternative manner of performance. Accordingly, as a purely liquidated damages provision, this Section does not preclude, and is not inconsistent with, a court granting us specific performance or any other equitable remedies, such as an injunction, to prevent future breaches. Our rights to liquidated damages and specific performance or any other equitable relief are not mutually exclusive.

11.6. Holdover. If you continue to operate your Business after the expiration of the Term as described in Section 2.4, you will be deemed to have materially breached this Agreement including but not limited to this Section 11 (“Holdover Period”). During any Holdover Period, all of your obligations will remain in full force and effect, as if this Agreement had not expired, and all obligations imposed on you upon expiration of this Agreement will take effect upon termination of the Holdover Period, provided, however, the Royalty Fee due during the Holdover Period will be an amount equal to twice the Royalty Fee otherwise due. The month-to-month extension may be terminated by Us, in our sole discretion, upon ten (10) days written notice to Affiliate. Additionally, we may consider you in default of this Agreement and may exercise all remedies available to us, including our pre-termination options set forth in Section 11.1, which includes suspension of services, or termination.

12. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

12.1. Independent Contractor. We and you are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venture or employee of the other. Neither party shall have the right or authority to independently obligate the other to any third parties or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence. You must identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials and others as the owner of the Business under a broker Affiliate license agreement from us. You must place a conspicuous notice on or near the entrance(s) of the Offices(s), that clearly states “EACH OFFICE IS INDEPENDENTLY OWNED AND OPERATED,” or any modification of the statement as we may require in the Operations Manual (“Disclaimer”). You must include the Disclaimer on all signage, business cards, stationery, promotional and advertising materials, website and internet communications, email signature blocks, real estate documents, and all other materials you use.

12.2. Independent Business. You acknowledge and agree that by executing this Agreement you are agreeing to establish and operate an independent CHRISTIE’S INTERNATIONAL REAL ESTATE business, the success of which depends on, among other things, your individual ability to operate your

business, attract and retain qualified agents and other personnel, and otherwise operate all phases of an independent business over which you will have substantial control. As an independent business owner, you agree that: (i) the relationship created by this Agreement is not a relationship between principal and agent, or that it is a fiduciary relationship; (ii) you are not our employee and will not earn any wages, nor be eligible for or receive any of the other benefits normally provided to employees, but rather your income will solely be the profits you earn from the operation of your Business; (iii) we are not the employer or co-employer of any employee that you hire; (iv) except as set forth herein, all management, personnel, and training requirements are at your discretion and are your responsibility; (v) you are responsible for ensuring that your Business operates in accordance with the law of the state, county, city, and town in which you operate; (vi) you alone are permitted to contract with your customers and you are required to sign all contracts and agreements, including purchase agreements, using your independent business name; (vii) you are free to set the prices you charge your customers, so long as those charges comply with any and all mandatory policies we prescribe in the Operations Manual relating to maximum or minimum charges; and (viii) we shall not be liable for damages to any person or property arising directly or indirectly out of your operation of your Business nor shall we be liable for any taxes, assessments, fines or penalties levied upon you or your Business arising out of your Business.

You agree that should you assert a claim or seek a determination that this Agreement, or any of its exhibits or attachments, creates anything but an independent business relationship, including an employment relationship, we may seek a determination that this Agreement is null and void. You also agree that if a court, administrative body, arbitrator, board, or other tribunal enters a judgment that this Agreement, or any of its exhibits or attachments, creates anything but an independent business relationship, including an employment relationship, then we shall have the option to immediately terminate this Agreement.

12.3. Indemnity. You will hold harmless, defend, and indemnify us and our past, present and future Related Parties, officers, directors, interest holders, members, shareholders, agents, attorneys, consultants, and employees (“**Indemnified Parties**”) against any claims, losses, costs, expenses (including, but not limited to, reasonable attorneys’ fees, costs, and expenses (and interest on such fees, costs, and expenses), costs of investigation, settlement costs, and interest), liabilities and damages (collectively, “**Indemnification Claims**”) arising directly or indirectly from, as a result of, or in connection with this Agreement, your operation of the Business, the relationship between the Parties, your and/or your employees’ actions or inactions, any claim that any of the Indemnified Parties are a joint employer with you for any reason, your activities under this Agreement, and/or your breach of this Agreement, including, without limitation, those alleged to be caused by the negligence of the Indemnified Parties unless (and then only to the extent that) the Indemnification Claims are determined to be caused solely by the gross negligence or willful misconduct of one of the Indemnified Parties according to a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction (including, but not limited to, Indemnification Claims brought by you).

In the event the Indemnified Parties incur any costs or expenses, including, without limitation, legal fees (including, but not limited to, attorneys’ fees, costs, and expenses, and interest on such fees, costs, and expenses), travel expenses, and other charges in connection with any proceeding involving you in which the Indemnified Parties are not a party, you must reimburse the Indemnified Parties for all such costs and expenses promptly upon presentation of invoices. With respect to any threatened or actual litigation, proceeding, or dispute that could directly or indirectly affect the Indemnified Parties, the Indemnified Parties have the right, but not the obligation, to: (i) choose counsel; (ii) direct and control the handling of the matter; (iii) settle any claim against the Indemnified Parties; and (iv) seek reimbursement from you pursuant to the terms of this paragraph. This Section will survive the expiration or termination of this Agreement and applies to Indemnification Claims even if they exceed the limits of your insurance coverage.

13. COVENANTS

13.1. Non-Solicitation of Customers. You, each Principal Owner, and the Responsible Broker, will not, during the term of this Agreement, and for a period of 1 year after its expiration or termination, directly or indirectly, divert or attempt to divert any CHRISTIE'S INTERNATIONAL REAL ESTATE business, account or customer of the Business or any other CHRISTIE'S INTERNATIONAL REAL ESTATE business referred to you by us, or the System to any competing business including, but not limited to, the competing businesses set forth in Section 6.3(e). We will not during the term of this Agreement, and for a period of 1 year after its expiration or termination, divert or attempt to divert any business, account, client, or customer of yours that we gained knowledge of in connection with this Agreement.

13.2. Competing Services or Products. During the Term, you, your Owners, officers, employees, and/or agents, or any entity in which any of you hold an ownership interest in or receive compensation from, will not directly or indirectly participate in the operation of or ownership in or receive compensation from any business that provides or seeks to provide equipment, supplies, services or other operating materials to our other Affiliates or Related Parties and their respective affiliates, without our advance written consent.

13.3. Covenant Not to Compete During Term. You and each Principal Owner will not, during the term of this Agreement, directly, or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any business that offers for sale real estate brokerage services, or any other related business that is similar to, offers the same or similar products or services to, or is otherwise competitive with, the Business, anywhere in the United States, including, but not limited to, those competing businesses set forth in Section 6.3(e), except the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent 1% or less of that class of securities. For clarification and avoidance of doubt, the above restriction regarding the operation of competing businesses applies to any separate real estate brokerage business under any brand, or Protected Territories or Broker Affiliate License Agreements or other territories, franchises, licenses or other businesses you, your Related Parties or Principal Owner have with us or any of our Related Parties, including following the termination or expiration of any such rights.

13.3.1 Notwithstanding the foregoing, you and each Principal Owner may own other real estate-related businesses that do not offer residential real estate brokerage services that are, or are marketed as "luxury" and that do not compete with the Business in the luxury segment of the market, and are owned and operated under a legal entity that is separate from, a different entity from, and represented to the public as a different entity from the Affiliate entity that executed this Agreement and operates the Business. Further, you shall notify us in writing when you open any other real estate-related company or business and you covenant and agree not to divert any real estate business from the Business.

13.3.2 You acknowledge and agree that any permitted business or operations under Section 13.3.1 above shall not (a) be of the type described in Section 6.3(e); (ii) in any way be affiliated or associated with those competing businesses set forth in Section 6.3(f); and (iii) use any CHRISTIE'S INTERNATIONAL REAL ESTATE branding or Marks.

13.4. Injunctive Relief. You agree that damages alone cannot adequately compensate us if there is a violation of any covenant in this Section and that injunctive relief is essential and necessary to prevent irreparable harm and damage to us. You therefore agree that we are entitled to injunctive relief without posting any bond or security, in addition to the remedies that may be available to us at equity or law, if you, the Principal Owners or their respective spouses or children, or the Responsible Broker violate any covenant

in this Section. The covenants stated in this Section will survive the termination or expiration of this Agreement.

13.5. Waiver of Bond. If we bring suit to enforce this Agreement by injunctive relief, you agree that no bond or other security is necessary and you hereby waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce the duties set forth in this Agreement.

13.6. Severability. If any covenant or provision of Section 13.1 or 13.3 is determined to be void, overbroad or unenforceable, in whole or in part, the parties agree that the offending portion shall be deemed severed and removed from this Agreement and shall not affect or impair the validity of any other remaining covenant or provision. Further, these obligations are considered independent of any other provision in this Agreement and the existence of any claim or cause of action by either party to this Agreement against the other, whether based upon this Agreement or otherwise, shall not constitute a defense to the enforcement of these obligations.

14. TRANSFER

14.1. Assignment by Us. We may transfer or assign this Agreement and all or any part of the rights or obligations under this Agreement, or any interests in our assets, or any ownership or equity interests in us, to any person or legal entity, and any assignee will become solely responsible for all obligations of the licensor under this Agreement from the date of assignment.

14.2. Your Assignment to Corporation or Limited Liability Company. You must obtain our prior written consent to assign this Agreement. We will not unreasonably withhold our consent to an assignment of this Agreement to an entity that you own and control and that we approve, provided you comply with all of the following conditions: (i) the entity must not conduct any business other than the Business; (ii) the ownership and management is substantially unchanged; (iii) the Responsible Broker actively manages the Business in accordance with this Agreement; (iv) you and all Principal Owners of the assignee entity sign the Guarantee, Indemnification, and Acknowledgment attached hereto as **Exhibit 3**; (v) you provide us no less than fifteen (15) days' written notice before the proposed date of assignment of this Agreement to the entity; (vi) you provide to us a certified copy of the articles of incorporation, operation agreement, organizational documents, and a list of all shareholders or members having beneficial ownership, reflecting their respective interest in the assignee entity; and (vii) the organizational documents and all issued and outstanding stock or membership certificates will bear a legend, in form acceptable to us, reflecting or referring to the assignment restrictions stated in this Agreement.

14.3. Your Assignment or Sale of Substantially All of Your Assets. You understand that we have granted you the rights under this Agreement in reliance upon the individual or collective character, aptitude, attitude, business ability and financial capacity of your Principal Owners. You (including all Principal Owners) will not voluntarily or involuntarily transfer, assign, or otherwise dispose of, in one or more transactions, your entity or business, the Business, all or substantially all of the assets of your business, this Agreement, or any material interest in you ("material interest" to include a proposed transfer of twenty percent (20%) or more of the common (voting) stock of a corporation or ownership interest in a limited liability company or partnership) unless you obtain our prior written consent (except as provided in Section 14.2 above). We may condition our approval of any proposed transfer upon satisfaction of the following occurrences:

(a) You are current in all monetary obligations to us, our Related Parties, and suppliers and vendors;

(b) You are in full compliance with this Agreement, Operations Manual, and our System standards;

- (c) You execute any transfer, amendment, or release forms that we may require;
- (d) You or the transferee will provide to us a copy of the proposed documents as we may request to evidence the transfer;
- (e) The transferee must be approved by us, the owners must be licensed real estate brokers, and demonstrate to our satisfaction that they meet our educational, managerial and business standards; possess a good moral character, business reputation and credit rating; have the aptitude and ability to conduct the business to be transferred; and have adequate financial resources and capital to meet the performance obligations under this Agreement;
- (f) The transferee must execute our then-current form of Broker Affiliate license agreement;
- (g) You or the transferee must pay to us the Transfer Fee specified in Section 3.5 of this Agreement;
- (h) The transferee must satisfactorily complete our initial training program at the transferee's expense within the time frame we establish;
- (i) You must comply with all post-termination provisions of this Agreement;
- (j) The transferee must obtain within the time limits set by us and maintain thereafter, all permits, and licenses required for operation of the Business;
- (k) To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;
- (l) The transfer must be made in compliance with any laws that apply to the transfer, including state and federal laws governing the offer and sale of franchises;
- (m) You and all departing owners must release us from any and all claims against us and our past, present and future Related Parties, officers, directors, interest holders, members, shareholders, agents and employees.
- (n) The purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation and performance under its broker Affiliate license agreement; and
- (o) We waive our right of first refusal set forth under Section 14.4.

14.4. Operational Control – Trust. In the event a trust is an Owner of Franchisee: (a) Prior to the Opening Date, Owner shall provide Us with copies of all trust instruments and all documents establishing that the trustee(s) have legal authority to enter into this Agreement on behalf of the Owner/trust and bind the Owner/trust to the terms of this Agreement; (b) after the Opening Date, Owner shall provide Us with copies of any amendment(s) to the trust instruments within seven (7) days of the entry of such amendment(s); (c) Guarantor(s) shall, at all times, directly (i) control all aspects of the Affiliate and the operation of the Business; and (ii) serve as trustee(s) of the trust and retain sole control over the voting of the trust's equity interest in Affiliate. Affiliate acknowledges and agrees that: (x) if the Guarantor(s) do not maintain operational control of the entire Business, Affiliate and the trust, such an event will constitute a

transfer as described in Section 15.3 of this Agreement; and (y) Franchisee must comply with all applicable provisions of this Section. Affiliate further acknowledges and agrees that if the Guarantor(s) desires to turn over operational control of the Affiliate, the trust or the Affiliate to one or more trust beneficiaries, such beneficiaries must satisfy all conditions of approval described in Section 14.3 of this Agreement. Nothing contained herein is or should be deemed to constitute our consent or acquiescence to any transfer as described in Section 14.3 of this Agreement.

14.5. Right of First Refusal. If you have received and desire to accept a signed, bona fide offer to purchase or otherwise transfer this Agreement, any interest in it, or substantially all the assets of the Business, or all or substantially all of the equity ownership in your entity, you shall grant us the option (the "Right of First Refusal") to purchase the Business as provided here:

(a) Within fourteen (14) days of receipt of the written, signed offer, you shall offer the Right of First Refusal to us by notice in writing, including a copy of the signed offer to purchase which you received ("Notice"). We shall have the right to purchase the Business or interest in the Business, or all or substantially all of the equity ownership in your or your entity, at and for the price and upon the terms set out in the Notice, except that we may substitute cash for any non-cash form of payment proposed and we shall have 60 days after the exercise of our Right of First Refusal to close the said purchase. Should we wish to exercise our Right of First Refusal, we will notify you in writing within 15 days from its receipt of the Notice. Upon the giving of such notice by us, there shall immediately arise between us and you, or its owners, a binding contract of purchase and sale at the price and upon the terms contained in the Notice.

(b) If we do not exercise our Rights of First Refusal, you may transfer the Business or ownership interest therein according to the terms set forth in the Notice, provided that you satisfy the conditions in this Agreement, including Section 14.5 above, and complete the sale within ninety (90) days from the day on which we received the Notice. If you do not conclude the proposed sale transaction within the ninety-day (90-day) period, the Right of First Refusal granted to us shall continue in full force and effect.

15. BINDING EFFECT, MODIFICATION

This Agreement is binding upon the parties and their respective executors, administrators, heirs, assigns, and successors in interest, and will not be modified except by written agreement signed by both you and us. Except as provided above, this Agreement is not intended, and will not be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

16. NON-WAIVER OF BREACH

Our waiver of any breach by you, or our delay or failure to enforce any provision of this Agreement, will not be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights respecting that or any other breach. In addition, acceptance by us of any payments or partial payments due to us under this Agreement shall not be deemed a waiver by us of any preceding or succeeding breach by you of any terms, provisions, covenants, or conditions of this Agreement, or other amounts due.

17. ENTIRE AGREEMENT

This Agreement and the exhibits hereto constitute the entire agreement between the parties. This Agreement and the exhibits hereto supersede all other prior oral and written agreements and understandings between the parties with respect to the subject matter of this Agreement. Nothing in this or in any related

agreement, however, is intended to disclaim the representations we made in the franchise disclosure document we furnished to you.

18. DISPUTE RESOLUTION

18.1. Choice of Law. This Agreement is effective upon its acceptance in Illinois by our authorized officer. Except as to claims governed by federal law, Illinois law governs all claims that in any way relates to or arises out of this Agreement, our business relationship, or any dealings between the parties (“Claims”). However, no laws regulating the sale of franchises or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

18.2. Jurisdiction and Venue. You and we agree that venue and jurisdiction for any Claims shall be proper solely in the state and federal court nearest to our corporate headquarters at the time of the dispute, presently located in Chicago, Illinois.

18.3. JURY WAIVER. YOU AND WE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

18.4. CLASS ACTION WAIVER. YOU AGREE TO BRING ANY CLAIMS, IF AT ALL, INDIVIDUALLY AND YOU SHALL NOT JOIN SUCH CLAIM WITH CLAIMS OF ANY OTHER PERSON OR ENTITY OR BRING, JOIN OR PARTICIPATE IN A CLASS OR COLLECTIVE ACTION AGAINST US. YOU HEREBY AGREE NOT TO SEEK JOINDER OF ANY OF YOUR CLAIMS WITH THOSE OF ANY OTHER PARTY.

18.5. PUNITIVE DAMAGES WAIVER. EXCEPT AS SET FORTH IN 11.5, YOU AND WE AND OUR RELATED PARTIES AGREE TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR A CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF ANY DISPUTE BETWEEN US, EACH WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT.

18.6. Contractual Limitation of Actions. You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims. The parties hereto agree that any Claims not asserted in an action filed within this period shall be time-barred, whether asserted as a claim, counterclaim, defense, or set-off.

18.7. Prior Notice of Claims. As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

18.8. Mediation. Except as otherwise stated in this Section 18, the parties agree to submit any claim, controversy or dispute arising out of or relating to this Agreement (and attachments) or the relationship created by this Agreement to non-binding mediation before bringing such claim, controversy or dispute to a court. The mediation will be conducted either through an individual mediator or a mediator appointed by a mediation services organization, experienced in the mediation of disputes between franchisors and franchisees, agreed upon by the parties. If the parties do not agree upon a mediator or mediation services organization within fifteen (15) days after either party has notified the other of its desire to seek mediation, the dispute will be mediated by the American Arbitration Association pursuant to its rules governing

mediation, at our corporate headquarters in Illinois, or in such other city and state in which our corporate headquarters is then located, if we move such headquarters. The costs and expenses of the mediation services organization, including compensation of the mediator, will be borne equally by the parties. Each party will bear the costs of its own attorney's fees and travel, if any, for the mediation. If the parties cannot resolve the claim, controversy or dispute within ninety (90) days after conducting the mediation, either party may submit such claim, controversy or dispute to court under this Section 18. Either party may bring an action under the applicable provisions of this Section 18 without first submitting the dispute to mediation under this Section 18.8: (i) for monies owed, (ii) for injunctive relief, or (iii) involving the possession or disposition of, or other relief relating to, real property.

18.9. Attorneys' Fees. The non-prevailing party will pay all costs and expenses, including reasonable attorneys' fees, that prevailing party incurs in any action brought to enforce any provision of this Agreement or to enjoin any violation of this Agreement.

18.10. Survival. All of the covenants contained in this Agreement that may require performance after the termination or expiration of this Agreement will survive any termination or expiration of this Agreement.

18.11. Severability Clause. All provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination or non-renewal of this Agreement than is required, or the taking of some other action not required, the prior notice and/or other action required by law or rule will be substituted for the comparable provisions.

18.12. Rights of Parties are Cumulative. The rights that we and you have are cumulative and no exercise or enforcement by either party of any right or remedy precludes such party from exercising or enforcing any other right or remedy to which such party is entitled by law or equity to enforce.

18.13. Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement and the relationship between the parties:

(a) **Our Rights.** Whenever this Agreement provides that we have a certain right, that right is absolute, and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

(b) **Our Reasonable Business Judgment.** Whenever we reserve discretion in a particular area or where we agree or are required to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise "reasonable business judgment" in making our decision or exercising our rights. A decision or action by us will be deemed to be the result of "reasonable business judgment," even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended to promote the brand or benefit the System generally even if the decision or action also promotes our financial or other individual interests. Examples of items that will promote the brand or benefit the System include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving our competitive position and/or the System. Neither you nor any third party (including a trier of fact) will substitute their judgment for our reasonable business judgment.

18.14 Integration.

(a) This Agreement, any Exhibits, and any Addendum signed by our authorized officer and you represent the entire integrated agreement between us and you and supersede all prior negotiations or agreements, either written or oral, between the parties. Nothing in this or any related agreement, is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you.

(b) You acknowledge that we have fully explained our operations to you that you understand their uses, benefits and limitation; and that we made no representations to you as to the financial benefit to be gained under this Agreement. You have not relied on any written or oral representations except those specifically made a part of this Agreement in writing. **DO NOT SIGN THIS AGREEMENT IF YOU BELIEVE WE OR ANY OF OUR REPRESENTATIVES HAS PROMISED YOU SOMETHING THAT IS NOT PART OF THIS AGREEMENT, ANY ATTACHED ADDENDUM OR THE DISCLOSURE DOCUMENT.**

19. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent via a recognized overnight delivery service (e.g., UPS, FedEx, etc.), or sent by other means which affords the sender evidence of delivery, or of rejected delivery, to the respective parties at the addresses shown on **Exhibit 1**, unless and until a different address has been designated by written notice to the other party. Any notice by a means which affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery.

20. REPRESENTATIONS, WARRANTIES, AND ACKNOWLEDGMENTS

20.1. Affiliate Representation and Warranties. You represent, warrant, and covenant to us that:

(a) The information in the application for a franchise is accurate and complete. Any consents or authorizations in the application are incorporated into this Agreement and are effective for the Term;

(b) if you are an entity, you are (i) duly organized, validly existing and in good standing and has all requisite power and authority to carry on its business as now conducted; and (ii) duly qualified to transact business and in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on its business or properties;

(c) all action on the part of you, your officers, directors, managers, members and shareholders, if any, necessary for the authorization, execution, and delivery of this Agreement has been taken, and the performance of all your obligations hereunder constitute valid and legally binding obligations of you, enforceable against you in accordance with the respective terms hereof;

(d) You are not obtaining this Business for speculative purposes and have no present intention to sell or transfer or attempt to sell or transfer the Business in whole or in part.

(e) You acknowledge the importance of the high and uniform standards of quality, appearance and service we impose to maintain the value of our name and the necessity of operating the Business in compliance with our Standards. You represent that you have the ability and intention to meet those Standards.

(f) You have procured such certificates, licenses and permits, in addition to appropriate real estate licenses, necessary for you to carry on the Business contemplated by this Agreement.

(g) Your execution, delivery and performance of this Agreement will not (i) violate, conflict with or result in a breach of any applicable law; (ii) require the consent, authorization or approval of any

other person or entity not a party to this Agreement; (iii) permit the acceleration of the maturity of any indebtedness of you; or (iv) violate or conflict with any provisions of the certificate or articles of incorporation, charter, bylaw or similar organizational instruments, if any, of you; and

(h) As of the Effective Date, there are no existing, pending, or threatened lawsuits or claims against you, the Principal Owners, or the current or prior brokerage, except as you may disclose in writing to us and we approve.

(i) you and/or your Principal Owners are experienced operators of a real estate brokerage business or businesses and are knowledgeable about both the real estate industry and the operation of a real estate brokerage business.

(j) Neither we nor any of our employees or representatives made any representations, promises, guarantees or warranties of any kind to induce you to sign this Agreement, except as specifically described in the Disclosure Document delivered to you. You acknowledge that the success of the Business is dependent on you and your Owners' efforts. Your non-exclusive right to use the System and its programs does not imply or guarantee you any level of business, any specific advertising programs, any number of recruits, or the receipt of referrals from our other franchisees or our Related Parties' franchisees. You and the Owners represent that you each intend to engage in the management or supervision of the Business. You agree to conduct the Business strictly in accordance with this Agreement and to exercise your continuous best efforts to maintain and develop the Business to its greatest potential

20.2. Net Worth. You acknowledge that a material consideration for us in granting you rights under this Agreement is your representation that you and your Owner(s) are financially responsible and have both (A) a net worth in tangible assets in excess of \$150,000, not including (i) the value of any interest in this Agreement (or notes provided to you from us or our Related Parties in conjunction with this agreement) or (ii) any of your working capital (defined as total current assets less total current liabilities, all prepared in accordance with generally accepted accounting principles); and (B) liquid assets (cash or securities that can be easily converted into cash) of at least \$75,000. You agree and warrant that you and your Owners will maintain the minimum net worth requirement throughout the Term. You further agree that maintaining these requirements and remaining in financial good standing with us and your third-party creditors is critical to the protection of our goodwill and the Marks. If the net worth requirement is not maintained at any time, you must procure a guarantor acceptable to us to the extent of the deficiency, which guarantor will sign the Guarantee, Indemnification and Acknowledgement attached as **Exhibit 3** to guarantee your performance under this Agreement.

20.3. Success of the Business. You acknowledge and agree that the success of the business venture you intend to undertake under this Agreement is speculative and depends, to a large extent, upon your (or the Principal Owner's) ability as an independent businessperson, and your active participation in the daily affairs of the Business as well as other factors that may not be controllable. We do not make any representation or warranty, express or implied, as to the potential success of the Business.

20.4. Independent Investigation. You acknowledge that you have entered into this Agreement after making an independent investigation of our operations and been advised of the terms and conditions of this Agreement by counsel of your choice.

20.5. Receipt of Documents. You represent and acknowledge that you have received our franchise disclosure document at least 14 calendar days before the date of the execution of this Agreement. In addition, you represent and acknowledge that you received from us a copy of this Agreement with all material blanks filled in at least 7 calendar days before the date of execution of this Agreement. You represent that you have read this Agreement in its entirety, including exhibits and related agreements, and

that you have been given the opportunity to consult with any attorney or other professional advisor and to clarify any provisions of the Agreement that you did not understand. You further represent that you understand the provisions of this Agreement and agree to be bound.

20.6. Additional Representations. You and your owners represent and warrant that neither you nor any of the owners (i) is identified, either by name or by an alias, pseudonym, or nickname, on the lists of “Specially Designated Nationals” or “Blocked Persons” maintained by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) (text currently available at www.treas.gov/offices/enforcement/ofac/) and (ii) is not subject to embargo or sanctions under OFAC regulations or similar U.S. government laws, regulations or Executive Orders. Further, you and your owners represent and warrant that neither you nor any of the owners has violated, and you and all of the owners agree not to violate, any law prohibiting corrupt business practices, money laundering, or the aid or support of persons or entities who conspire to commit acts of terror against any person, entity, or government, including acts prohibited by the USA Patriot Act (text currently available at <https://www.gpo.gov/fdsys/pkg/BILLS-107hr3162enr/pdf/BILLS-107hr3162enr.pdf>), or any similar law. The foregoing constitutes continuing representations and warranties, and you and the owners shall immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate, or misleading.

20.7. Other Licenses, Affiliates, or Franchises. You acknowledge that our other Affiliates have or will be granted licenses or franchises at different times and in different situations, and further acknowledge that the provisions of such agreements may vary substantially from those contained in this Agreement.

20.8. Third Party Beneficiary. You hereby acknowledge and agree that IP Owner is an intended third-party beneficiary of the sections of this Agreement that are subject to the Trademark License Agreement including, but not limited to, Section 2.5 and Section 11.1, and that IP Owner has the right (but not the obligation) to enforce such sections, either independently or jointly with us.

20.9. Notice of Our Potential Profit. We hereby advise you that we and/or our Related Parties periodically may make available to you goods, products and/or services for use in the Business from which we and/or our Related Parties may make a profit. We further advise you that we and our Related Parties periodically may receive consideration from suppliers and manufacturers from the sale of goods, products or services to you or in consideration for services provided or rights licensed to such suppliers. You agree that we and our Related Parties will be entitled to such profits and consideration.

20.10. Our Rights. We have the right to operate, administer, develop, and change the System in any manner that is not specifically precluded by this Agreement. You understand and agree that during the Term, we or our Related Parties may develop internally or be in discussions with third parties for, products, services, concepts, systems, and techniques, including but not limited to, those that may be similar to or competitive with those offered by you, your Owners or your Related Parties and that nothing herein shall limit or restrict our right to develop or have developed, protect (whether by patent, trademark, copyright or other means) or market any such products, services, concepts, systems, or techniques.

20.11. Time is of the Essence. Time is of the essence in this Agreement and each of its terms. It will be a material breach of this Agreement if you fail to perform any obligation within the time required or allowed by this Agreement.

20.12. Counterparts. This Agreement may be signed in multiple counterparts, and the signature pages may be exchanged between the parties via facsimile or email, and all of which, when taken together, will constitute one original Agreement. A fully signed copy of this Agreement will have the same force and effect as the original.

21. DEFINITIONS

21.1. “Affiliate” is defined in the Recitals.

21.2. “Agent Support Director” means the person you employ who is responsible for providing the agents affiliated with your Business with support and guidance related to CHRISTIE’S INTERNATIONAL REAL ESTATE business tools, training, and services. The Agent Support Director does not need to be a Principal Owner.

21.3. “Business” means the CHRISTIE’S INTERNATIONAL REAL ESTATE business you own and operate under this Agreement.

21.4. “Content” means all text, images, sounds, files, videos, designs, animations, layouts, color schemes, trade dress, concepts, methods, techniques, processes and data used in connection with, displayed on, or collected from or through the Intranet or email system.

21.5. “Customer Data” means any name, address, email address, telephone number, date of birth, demographic data, behavioral data, customer service history, financial data, transaction data, correspondence, and other information about any potential, current, or former customer of the Business, whether stored in electronic, physical, or other forms or formats.

21.6. “Gross Revenues” means the aggregate dollar amount from all sales of goods or services made, provided by, or in connection with the Business or the Marks, whether for cash or credit or non-cash payments or consideration at fair market value, regardless of collection in the case of credit, before the deductions of any fees, costs, or expenses you incur. Gross Revenue includes, without limitation, the total commissions earned from each transaction before any deductions, including without limitation, MLS fees. Gross Revenue excludes the portion of the commissions earned from each transaction that is paid to or shared with an authorized and approved affiliated referral source, as permitted under Section 5.17.

21.7. “Internet” means one or more related documents, designs, pages, or other communications or platforms that can be accessed through electronic means, including but not limited to the Internet, World Wide Web, social networking sites (including but not limited to Facebook, Twitter, LinkedIn, Instagram, YouTube, etc.), blogs, vlogs, and other applications, etc. For the avoidance of doubt, we reserve, maintain, and control all rights with respect to the metaverse.

21.8. “Marketing Director” means the person you employ that is responsible for collaborating with the CHRISTIE’S INTERNATIONAL REAL ESTATE marketing team, implementing local marketing initiatives, and enforcing branding guidelines on a local level. The Marketing Director does not need to be a Principal Owner.

21.9. “Marks” means the trademarks, service marks, and other trademarks, trade names, service marks, domain names, logos and commercial symbols that we have designated, or may in the future designate, for use in the System, which include CHRISTIE’S INTERNATIONAL REAL ESTATE.

21.10. “MLS Feed” means the local multiple listing service (“MLS”) feed(s) obtained by you from one or more MLSs for selected geographic areas, in order to enable display of real estate listings for such areas.

21.11. “Principal Owner” means any person or entity who directly or indirectly owns a 5% or greater interest in you. If any corporation or other entity other than a partnership is a Principal Owner, a Principal Owner also will mean a shareholder or owner of a 5% or greater interest in such corporation or other entity.

If a partnership is a Principal Owner, a Principal Owner also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a 5% or greater interest in such general partner.

21.12. “Related Parties” means, with respect to a particular Person, a Person who, directly or indirectly, owns or controls that Person, is owned or controlled by that Person, or is under common control with that Person. Control, in this context, means the possession of executive power to direct or to cause the direction of the management and policies of a Person, whether through voting power, ownership, by contract or otherwise.

21.13. “Responsible Broker” means the Principal Owner we approved who will oversee the Business operations, who will represent you in interacting with us, and who holds all the necessary real estate licenses for the Business. The Responsible Broker must successfully complete our initial training program and all mandatory follow-up training programs. The Responsible Broker is listed on **Exhibit 1**.

21.14. “System” means the CHRISTIE’S INTERNATIONAL REAL ESTATE system which includes luxury real estate brokerage products and services, and other related services that we may designate in the future under the Marks; the approved products and services; certain distinctive types of equipment (including the Computer System; the Confidential Information; marketing, business development, and advertising techniques; operating procedures; product and service quality standards; business methods; the Operations Manual; and other expertise that we supply throughout the term of this Agreement.

The parties have signed this Agreement on the Effective Date.

LICENSOR/US:

AFFILIATE/YOU:

Christie’s International Real Estate, LLC

By:_____

By:_____

Name:_____

Name:_____

Title:_____

Title:_____

Exhibit 1
Christie's International Real Estate Broker Affiliate License Agreement

**Main Office Location, Protected Territory, Royalty, Minimum Performance Requirement, and
Other Key Information**

1. **Main Office.** The Business will be operated from the following premises: _____ (the "Main Office").
If the office of your Business has not been designated as of the Effective Date, we will update this Exhibit 1 to include the address of the Main Office once determined. If you and we are unable to agree on a site for the Business, we may terminate this Agreement.

YOU ACKNOWLEDGE AND AGREE THAT OUR APPROVAL OF A PROPOSED SITE FOR YOUR OFFICE OR ANY ADDITIONAL OFFICE DOES NOT REPRESENT A WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESSED OR IMPLIED, AS TO THE SUITABILITY OF THE PROPOSED SITE FOR A CHRISTIE'S INTERNATIONAL REAL ESTATE BUSINESS OR THE PROBABILITY OF SUCCESS AT ANY APPROVED LOCATION.

2. **Protected Territory.** The Protected Territory shall consist of: (check either (a) or (b))

(a) ☐ the following zip codes as of the Effective Date

_____ ("Protected Territory"); or

(b) ☐ NONE

If no Protected Territory is set forth above, then nothing in this Agreement, including in Section 1 hereof, shall be construed to grant you any territorial protection, exclusivity, or exclusive rights. In that case, the rights granted to you under this Agreement shall be nonexclusive and we and our Related Parties have and retain all rights including, but not limited to, those set forth in Section 1.3 of this Agreement.

3. **Royalty.** The Royalty shall be equal to _____.

4. **Performance Requirement.** You understand and agree that in order to maintain your rights under this Agreement, you must achieve at least \$_____ in Gross Revenue each calendar year during the term of the Agreement. The Minimum Performance Requirement will be pro-rated for the first year you operate the Business. If you fail to meet the Minimum Performance Requirement, we may take any action we are permitted to take under the terms of this Agreement.

5. **Designated Owner.** The Designated Owner is: _____.

6. **Responsible Broker.** The Responsible Broker is: _____.

7. **The Business will be identified for the public as follows:**

8. **Addresses for Notices.**

Us:

Attn: Gavin Swartzman
806 N. Peoria, Chicago, IL 60642
Phone: (312) 254-0200

You:

Attn: _____

Phone: _____

Email: _____

9. All capitalized terms contained in this Exhibit 1 and not defined herein will have the same meaning as provided in this Agreement.

10. **Additional Offices:** You currently operate from, in addition to your “Main Office” identified in Paragraph 1 above, the following offices:

(1)

We agree to permit you to continue to operate from [this/these ____] other office[s].

11. **Software Integration.**

(i) You acknowledge and agree that our proprietary software/technology integration may be made available to you at a date to be agreed upon with you and us, after your consultation with our project management team.

(ii) If, as part of our proprietary software/technology integration, MLS feeds are required, specific MLSs and MLS fees will be outlined in a separate written agreement. There may be an MLS implementation fee that will range from \$5,000 to \$10,000 per fee

Exhibit 2
Christie's International Real Estate Broker Affiliate License Agreement
Automatic Bank Draft Authorization

Please complete the following with your banking information and attach a voided check:

Company Name: _____

Name of Financial Institution: _____

Address of Financial Institution: _____

Routing Number: _____

Account Number: _____

I hereby authorize Christie's International Real Estate, LLC and the financial institution named above to initiate entries to my checking or savings accounts as identified above in accordance with the terms of my Broker Affiliate License Agreement and, if necessary, to initiate adjustments for any transactions credited in error. This authority will remain in effect until I notify either Christie's International Real Estate, LLC or the above-named financial institution in writing to cancel it in such time as to afford a reasonable opportunity to act on such instructions. I can stop payment of any entry by notifying the above-named financial institution at least 3 days before my account is scheduled to be charged. I can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the above-referenced financial institution or up to 60 days after deposit, whichever occurs first.

Signature: _____

Printed Name of Person Signing: _____

Title (if any): _____

Application Date: _____

Telephone Number: _____

Applicant's Address: _____

Exhibit 3
Christie's International Real Estate Broker Affiliate License Agreement

Guarantee, Indemnification, and Acknowledgment

In consideration of the execution of the CHRISTIE'S INTERNATIONAL REAL ESTATE Broker Affiliate License Agreement dated _____ (the "Agreement") by Christie's International Real Estate, LLC (the "Company," "we" or "us"), each of the undersigned (a "Guarantor") personally and unconditionally guarantees to us, and our successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement that _____ (the "Affiliate" or "you") will timely pay and perform each and every undertaking, obligation, agreement and covenant stated in the Agreement; and agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement. All capitalized terms contained herein and not defined herein will have the same meaning as provided in the Agreement.

Each of the undersigned waives: (1) acceptance and notice of acceptance by us of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he/she may have to require that an action be brought against you or any other person as a condition of liability.

Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, you and your other Guarantors;

(2) Guarantor will make any payment and perform any obligation required under the Agreement upon demand;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of you or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which we may grant to you, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) We may proceed against Guarantor and you jointly and severally, or we may, at our option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against you or any other Guarantor; and

(6) Guarantor will be personally bound by each and every condition and term contained in the Agreement, including but not limited to the non-compete provisions in Section 13 and the dispute resolution provisions contained in Section 18 of the Agreement.

(7) Guarantor will pay all reasonable attorneys' fees and all costs and other expenses we incur in enforcing this Guaranty and Assumption of Obligations Agreement (this "Guaranty Agreement") against Guarantor or any negotiations relative to the obligations hereby guaranteed.

Each of the undersigned has signed this Guaranty Agreement as of the same day and year as the Agreement was executed.

[Signature page follows.]

Exhibit 3-1

GUARANTOR(S)	PERCENTAGE OF OWNERSHIP

SIGNATURE OF GUARANTOR(S)

Exhibit 4
Christie's International Real Estate Broker Affiliate License Agreement

ADDITIONAL OFFICE ADDENDUM

This Additional Office Addendum ("Addendum") is entered into on _____ ("Effective Date") by and between _____ ("Affiliate" or "you") and Christie's International Real Estate, LLC ("Licensor" or "us").

RECITALS

WHEREAS Affiliate currently operates a CHRISTIE'S INTERNATIONAL REAL ESTATE business pursuant to a CHRISTIE'S INTERNATIONAL REAL ESTATE Broker Affiliate License Agreement dated _____ ("Broker Affiliate License Agreement").

WHEREAS Affiliate's office is currently located at _____ (the "Main Office").

WHEREAS Affiliate desires to open an additional office location at _____ ("Additional Office").

WHEREAS Licensor has agreed to permit Affiliate to open and operate the Additional Office upon the terms and conditions stated herein.

AGREEMENT

In consideration of the mutual covenants and promises below, and other good and valuable consideration, the parties hereby agree as follows:

1. **Approval.** Licensor hereby approves the opening of the Additional Office at the location set forth above. The Additional Office will commence operations under the CHRISTIE'S INTERNATIONAL REAL ESTATE system within 90 days of the Effective Date of this Agreement. The Additional Office will be subject to the terms and conditions in the Broker Affiliate License Agreement.

2. **Opportunity to Investigate.** You acknowledge that you have had the opportunity to be advised of the terms and conditions of this Addendum by counsel of your choice. Unless expressly provided otherwise, this Addendum is exclusively for our and your benefit and may not give rise to liability to any third party unless specifically stated.

3. **Release.** Affiliate and all of Affiliate's guarantors, members, employees, agents, successors, assigns and Related Parties fully and finally release and forever discharge Licensor, its past and present agents, employees, officers, directors, members, licensees, franchisees, successors, assigns and Related Parties (collectively "Released Parties") from any and all claims, actions, causes of action, contractual rights, demands, damages, costs, loss of services, expenses and compensation which Affiliate could assert against Released Parties or any of them up through and including the date of this Release. THIS IS A SPECIFIC RELEASE GIVING UP ALL RIGHTS WITH RESPECT TO THE TRANSACTIONS OR OCCURRENCES THAT ARE BEING RELEASED UNDER THIS AGREEMENT.

4. FOR CALIFORNIA RESIDENTS ONLY: You represent and warrant that YOU EXPRESSLY WAIVE ANY AND ALL RIGHTS AND BENEFITS UNDER CALIFORNIA CIVIL CODE §1542, which provides as follows:

A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her must have materially affected his or her settlement with the debtor or released party.

The above release shall not apply to any liabilities arising under the California Franchise Investment Law, the California Franchise Relations Act, Indiana Code § 23-2-2.5.1 through 23-2-2.7-7, the Maryland Franchise Registration and Disclosure Law, Michigan Franchise Investment Law, Minnesota Franchise Act, North Dakota franchise laws, the Rhode Island Investment Act, and the Washington Franchise Investment Protection Act.

THE PERSON SIGNING THIS ADDENDUM ON BEHALF OF THE FRANCHISEE REPRESENTS AND WARRANTS THAT HE OR SHE IS A DULY APPOINTED OFFICER OR OTHERWISE HAS BEEN AUTHORIZED TO BIND THE FRANCHISEE TO THE TERMS OF THIS ADDENDUM.

Affiliate: _____

Licensor: Christie's International Real Estate, LLC

By: _____

By: _____

_____, Co-CEO

Printed Name: _____

Date: _____

Title: _____

Exhibit 5
Christie's International Real Estate Broker Affiliate License Agreement

FORM CONFIDENTIALITY AGREEMENT
(for employees with access to Confidential Information)

[Note to Affiliate: This document is a sample form only for use with your managers and certain employees with access to confidential information. If you use this form, you should consult with your attorney to ensure that the terms of this agreement are enforceable within your state and make any necessary modifications.]

In consideration of my being a _____ [Title] _____ of _____ [Affiliate] _____ (“Affiliate”), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a CHRISTIE’S INTERNATIONAL REAL ESTATE Broker Affiliate License Agreement dated _____, 20____ (the “**Broker Affiliate License Agreement**”), Affiliate has acquired the right and license from Christie’s International Real Estate, LLC (the “**Company**”) to establish and operate a CHRISTIE’S INTERNATIONAL REAL ESTATE business (the “**Business**”) and the right to use in the operation of the Business the Company’s trade names, service marks, trademarks, logos, emblems, and indicia of origin (the “**Marks**”), as they may be changed, improved, and further developed from time to time in the Company’s sole discretion, only at the authorized and accepted location(s) set forth in the Broker Affiliate License Agreement.

2. The Company, as the result of the expenditure of time, skill, effort, and resources, has developed and owns a distinctive format and system (the “**System**”) relating to the establishment and operation of the Business that offers products and services authorized to be offered, sold, or provided under the Marks and the System pursuant to the Broker Affiliate License Agreement. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, methods, techniques, formats, specifications, systems, software, procedures, methods of business practices and management, sales and promotional techniques, and knowledge of, and experience in, the operation of the Business (the “**Confidential Information**”).

3. Any and all information, knowledge, know-how, and techniques which the Company or Affiliate specifically designates as confidential shall also be deemed to be Confidential Information for purposes of this Agreement.

4. As _____ [Title] _____ of the Affiliate, the Company and Affiliate will disclose the Confidential Information to me in furnishing to me training programs, the Company’s confidential manual, and other general assistance during the term of the Broker Affiliate License Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Business during the term of the Broker Affiliate License Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I will hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in

connection with my duties as _____ [Title] _____ of the Affiliate. I will not to directly or indirectly use or disclose any Confidential Information for the benefit of anyone other than the Affiliate or Company either during my course of employment with the Affiliate or after my employment with the Affiliate ends, regardless of the reason for the separation of employment. I recognize and agree that the Confidential Information constitutes a valuable asset of the Company, and I will act in such a manner as to prevent its disclosure and use by any person unless such use is for the benefit of the Affiliate. I understand that my obligations under this paragraph are unconditional and will not be excused by any conduct on the part of the Affiliate or Company, except prior voluntary public disclosure by the Company of the information.

7. The Company is a third-party beneficiary of this Agreement and may enforce it solely and/or jointly with the Affiliate. I am aware that my violation of this Agreement will cause the Company and the Affiliate irreparable harm; therefore, I acknowledge and agree that the Affiliate and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Affiliate and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Affiliate and the Company, any claim I have against the Affiliate or the Company is a separate matter and does not entitle me to violate, or justify any violation of, this Agreement.

8. This Agreement shall be construed under the laws of the state of _____, without regard to the application of its conflict of law rules. The only way this Agreement can be changed is in writing signed by both the Affiliate and me.

Signature

Name

Address

Title

ACKNOWLEDGED BY AFFILIATE

By: _____

Name: _____

Title: _____

Exhibit 6
Christie's International Real Estate Broker Affiliate License Agreement

LIST OF AFFILIATE'S THIRD-PARTY AFFILIATIONS

1. _____
2. _____
3. _____

EXHIBIT D

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD

RESERVED

EXHIBIT E

FORM GENERAL RELEASE

GENERAL RELEASE LANGUAGE

The following is our current general release language that we expect to include in a release that a licensee and/or transferor may sign as part of a renewal or an approved transfer as well as on other occasions that we deem appropriate. We may, at our sole option, periodically modify the release.

THIS GENERAL RELEASE (the “**Release**”) is made and entered into on this _____ day of _____, 2026 (the “**Effective Date**”), by and between:

- Christie’s International Real Estate, LLC, a Delaware limited liability company (“**Licensor**”); and
- _____ a [resident of] [corporation organized in] [limited liability company organized in] _____ [“(Affiliate)”] (“**Transferor**”).

BACKGROUND:

A. Licensor and [Affiliate] [Transferor] are parties to a Broker Affiliate License Agreement dated _____ (the “**License Agreement**”) regarding the operation of a “Christie’s International Real Estate” brokerage business (also referred to as the “Business”);

B. Licensor and [Affiliate] [Transferor] have agreed, pursuant to the License Agreement, [to renew or extend Affiliate’s rights under the License Agreement (the “**Renewal Transaction**”)] [to permit a transfer or assignment of _____ pursuant to Sections 13 and 14 of the License Agreement (the “**Transfer Transaction**”)], and in connection with the [Renewal Transaction] [Transfer Transaction], Licensor and [Affiliate] [Transferor] have agreed to execute this Release, along with such other documents related to the approved [Renewal Transaction] [Transfer Transaction].

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby agree as follows:

1. Release. [Affiliate] [Transferor], its officers and directors and principals, and their respective agents, heirs, administrators, successors and assigns (the “**Affiliate Group**”), hereby forever release and discharge, and forever hold harmless Licensor, its current and former affiliates and predecessors, and their respective shareholders, partners, members, directors, officers, employees, agents, representatives, heirs, administrators, successors and assigns (the “**Licensor Group**”) from any and all claims, demands, debts, liabilities, actions or causes of action, costs, agreements, promises and expenses of every kind and nature whatsoever, at law or in equity, whether known or unknown, foreseen and unforeseen, liquidated or unliquidated, which [Affiliate] [Transferor] and/or its Principals had, have or may have against any member of the Licensor Group, including, without limitation, claims arising under federal, state and local laws, rules and ordinances, and any claims or causes of action arising from, in connection with or in any way related or pertaining, directly or indirectly, to the License Agreement, and Licensor’s performance thereunder, the relationship created by the License Agreement, [all other agreements between either of the Transferors and any member of the Licensor Group, the sale of licenses to the Transferor,] or the development, ownership or operation of the Business. The Affiliate Group further indemnifies and holds the Licensor Group harmless against, and agrees to reimburse them for any loss, liability, expense or damages (actual or consequential) including, without limitation, reasonable attorneys’, accountants’ and expert witness fees, costs of investigation and proof of facts, court costs and other litigation and travel and living expenses, which any member of the Licensor Group may suffer with respect to any claims or causes of action which any customer, creditor or other third party now has, ever had, or hereafter would or could have, as a result

of, arising from or relating to the License Agreement or the Business. The Affiliate Group and its Principals represent and warrant that they have not made an assignment or any other transfer of any interest in the claims, causes of action, suits, debts, agreements or promises described herein.

[Notes to drafter:]

[Note for California Release – add the following:

Except as set forth herein, Affiliate Group expressly relieves and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California (“Section 1542”), and does so understanding and acknowledging the significance and consequence of such specific waiver of Section 1542. Section 1542 states as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH EITHER PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AS OF THE DATE OF EXECUTION OF THIS AGREEMENT, WHICH IF KNOWN BY SUCH PARTY WOULD HAVE MATERIALLY AFFECTED THE TERMS OF THE AGREEMENT.”

Notwithstanding the provisions of Section 1542, and for the purpose of implementing the general release and discharges described in this paragraph, Affiliate Group expressly acknowledges that this Release is intended to include in its effect without limitation, all claims described in this paragraph which Affiliate Group does not know or suspect to exist in its favor at the time of execution hereof, and that this Release contemplates the extinguishment of any such claims.]

[Note for Maryland Release – add the following to Section 1, at the end of the first sentence: “excluding only such claims arising under the Maryland Franchise Registration and Disclosure Law.”]

[Note for Minnesota Release – add the following to Section 1, at the end of the first sentence: “excluding only such claims arising under the Minnesota Franchises Law.”]

[Note for Washington Release – add the following to Section 1, at the end of the first sentence: “excluding only such claims arising under the Washington Franchise Investment Protection Act.”]

2. General Terms.

2.1. This Release will be binding upon, and inure to the benefit of, each party’s respective heirs, representatives, successors, and assigns.

2.2. This Release will take effect upon its acceptance and execution by each of the parties hereto.

2.3. This Release may be executed in counterparts, and signatures exchanged by fax or pdf, and each such counterpart, when taken together with all other identical copies of this Release also signed in counterpart, will be considered as one Release.

2.4. The captions in this Release are for the sake of convenience only, and will neither amend nor modify the terms hereof.

2.5 The parties agree that all actions arising under this Release must be commenced in the local or federal court of general jurisdiction in New York, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he/she/it might have to either the jurisdiction of or

venue in those courts. This Release will be interpreted and construed under the laws of the State of New York. In the event of any conflict of law, the laws of the State of New York will prevail (without regard to, and without giving effect to, the application of New York conflict of law rules).

2.6. This Release constitutes the entire, full, and complete agreement between the parties concerning the subject matter hereof, and supersedes all prior agreements and communications concerning the subject matter hereof. No other representations have induced the parties to execute this Release. The parties agree that they have not relied upon anything other than the words of this Release in deciding whether to enter into this Release.

2.7. No amendment, change, or variance from this Release will be binding on either party unless in writing and agreed to by all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Release in duplicate on the day and year first above written.

LICENSOR:
Christie's International Real Estate, LLC

AFFILIATE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT E-1

CONVERSION PROMISSORY NOTE

CONVERSION PROMISSORY NOTE

_____ (the "Note Date")

MAKER:	CHRISTIE'S INTERNATIONAL REAL ESTATE, LLC
CO-MAKER(S):	_____
HOLDER:	Choose an item.
PLACE FOR PAYMENT:	806 N. PEORIA, CHICAGO IL
PRINCIPAL:	\$ _____
ANNUAL INTEREST RATE:	0%, EXCEPT AS DESCRIBED BELOW
MATURITY DATE:	December 31, 20__

1. TERMS OF PAYMENT. FOR GOOD AND VALUABLE CONSIDERATION, the undersigned Maker and Co-Maker(s) promise(s) to pay Holder (or its successors or assigns) the Principal set forth above on the Maturity Date and such Principal will be used for the Business (as defined in the License Agreement). Payments are payable to Holder at 806 N. Peoria, Chicago, Illinois 60642, or at such other place as Holder may designate in writing.

2. FORGIVENESS. If on December 31 of each full calendar year (each a "Measurement Date") after the Note Date, beginning with calendar year 2027, Maker and Co-Maker(s) satisfy the conditions in this Note, an amount equal to the Principal divided by **nine (9)** (the "Yearly Principal") will be forgiven by Holder. To qualify for forgiveness of the Principal, Maker and Co-Maker(s) must establish that, as of the Measurement Date and for the calendar year concluding on the Measurement Date:

- A. Maker is not in default of its obligations under any license agreement(s) with Holder (the "License Agreement"), including payment of royalty fees; **and**
- B. Maker(s) has timely paid Holder all royalty fees owed under the License Agreement on aggregate Gross Revenues (as defined in the License Agreement) of at least \$ _____ ("Forgiveness Threshold").
- C. Notwithstanding the above, Maker shall have the right to miss one (1) Forgiveness Threshold and still have its Yearly Principal installment under this Note for that calendar year forgiven (the "One Miss Right"). Accordingly, in the event Maker fails to satisfy the Forgiveness Threshold on any one (1) Measurement Date, the Yearly Principal installment of this Note that would otherwise be due and owing to Holder for that calendar year, shall be forgiven upon Holder's receipt of written notice from Maker by March 15th of the year following the Measurement Date, that it elects to exercise its One Miss Right. Once Maker exercises its One Miss Right, it shall have no further rights to have any Yearly Principal installment under this Note forgiven without satisfying the Forgiveness Threshold.

3. ANNUAL AMOUNT DUE ON FAILURE TO SATISFY CONDITIONS. If Maker does not satisfy the above conditions as of any Measurement Date, and elects not to exercise its One Miss right described in Paragraph 2C above, or if the One Miss Right is no longer available, then within thirty (30) days after the Measurement Date, Maker shall pay Holder an amount equal to the *lesser of* (i) royalty fees on the shortfall amount which is the difference between the Forgiveness Threshold and annual Gross Revenues reported and paid for the applicable calendar year; **or** (ii) the Yearly Principal installment due on this Note for such year. If Maker or Co-Maker(s) fails to make any payment when due, including any payment due on acceleration of this Note, the entire outstanding Principal shall bear simple interest at a rate equal to the lesser of eighteen percent (18%) per year or the highest rate allowed by law, from its due date until paid in full.

4. APPLICATIONS OF FUNDS DUE MAKER. Maker agrees that Holder, at its sole option, without notice, may apply to the outstanding due and payable Principal (and accrued and unpaid interest amount) payments due to Maker(s) from Holder, that may be provided in the License Agreement, if any payment becomes due or payable to Maker. To the extent necessary, Maker(s) hereby assigns, transfers and/or conveys to Holder all of Maker's rights, title and interest in and to the Incentive Award, if any, owed to Maker. Any amounts applied against the Principal shall correspondingly reduce amounts owed by Maker(s).

5. ACCELERATION OF PRINCIPAL. Upon Holder's determinations that Maker and Co-Maker(s) are in default, or upon the occurrence of any of the following, Holder may accelerate the unpaid Principal and all accrued interest will become immediately due and payable, without presentment for payment or any notice or demand:

- A. Maker or Co-Maker(s) (i) suspends business; (ii) becomes insolvent or offers settlement to any creditors; (iii) files a petition in bankruptcy, either voluntary or involuntary; (iv) institutes any proceeding under any bankruptcy or insolvency laws relating to the relief of debtors; (v) makes an assignment for the benefit of creditors; or (vi) makes any false statement or representation orally or in writing, fails to furnish information, or fails to permit inspection of any books or records on demand of Holder;
- B. Upon default in payment of any Principal payment due under this Note;
- C. Upon default, in Holder's sole opinion, of any other agreement or note between Maker and Holder or any of Holder's related companies, including, but not limited to, the License Agreement; or
- D. Upon termination or expiration of the License Agreement.

For the purposes of this Note, a party will be in default of an agreement if the party has been given notice of default under the agreement, and, for defaults for which the party is afforded an opportunity to cure under the applicable agreement, the party failed to cure within the period provided. Maker's and Co-Maker(s)'s obligation to pay the Principal and interest, if accelerated, will be absolute and unconditional, and will not be subject to any rights of offset or recoupment.

6. ASSIGNMENT. This Note is not assignable by Maker or any Co-Maker without the prior written consent of Holder.

7. NO PRE-PAYMENT PENALTY. Maker and Co-Maker(s) may prepay this Note in whole or in part on any date without premium or penalty. No partial prepayment shall extend or postpone the due date of any subsequent installment payment or change the amount of the installment payment. Prepayments will be applied without notation on this Note.

8. ATTORNEYS' FEES. Maker and Co-Maker(s) agree to pay all expenditures made in any attempt to collect any amounts due pursuant to this Note. If Holder takes legal action to enforce or collect this Note, Holder shall be entitled to reasonable attorneys' fees (including in-house attorneys) and court costs and all costs of collection in addition to any other relief to which it may be entitled.

9. WAIVER OF PRESENTMENT. Maker and Co-Maker(s) and each of them, waive, to the fullest extent permitted by law, diligence, demand, notice of demand, presentment for payment, notice of non-payment, notice of dishonor, protest and notice of protest and specifically consent to and waive notice of any renewals, extensions, amendments or modifications of this Note, whether made to or in favor of Maker or any other person or persons. Holder reserves the right to modify the terms of this Note, grant extensions, notations, renewals, releases, discharges, compositions and compromises with any party liable under this Note, with or without any notice to or the consent of, and without discharging or affecting the obligations of, any other party liable under this Note. The claiming of any statute of limitations as a defense to any demand against Maker, Co-Maker(s) or any endorser or guarantor is expressly waived by each and all of said parties.

10. ACQUISITION-RELATED REPRESENTATIONS. If this Note is being executed in connection with the acquisition or consolidation (by merger, acquisition or otherwise) of a real estate brokerage business from another person or entity, Maker and Co-Makers agree that while Holder and its representatives may have participated in the negotiation of such acquisition and assisted with the preparation of documents (legal or otherwise), Holder and its representatives were acting solely in the capacity of franchisor and were not retained by Maker or any Co-Maker in the capacity of agent, consultant or advisor. Maker and each Co-Maker agree that they have not and will not rely on any financial, legal or accounting advice about the acquisition that may have been provided by Holder or any of its employees, representatives, or affiliates. Maker represents and warrants that it has completed any due diligence and other investigations of the acquired office as Maker deemed appropriate. Additionally, Maker agrees that it has not relied on any representations made by Holder or any of its representatives or affiliates in deciding to complete the acquisition and related transactions. Maker waives any and all claims against Holder and its officers, directors, shareholders, affiliates, employees and agents arising out of the acquisition or consolidation.

11. GOVERNING LAW/CONFIDENTIALITY/COUNTERPARTS. This Note will be construed and enforced in accordance with the laws of the State of Illinois. The terms of this Note are confidential and will not be disclosed to any third party by Maker without the prior written consent of Holder, unless otherwise required by law. This Note may be executed in counterparts, each of

which will be deemed an original, and all of which will constitute one Note. Maker and Co-Maker(s) expressly intend to be bound by authenticated electronic signatures (e.g. by DocuSign)

12. JOINT AND SEVERAL LIABILITY. This Note will be the joint and several obligation of Maker, Co-Maker(s), all guarantors and endorsers, if any, and will be binding upon them and their heirs, executors, personal representatives, successors and assigns and will inure to the benefit of Holder and its successors and assigns.

13. CONFESSION OF JUDGMENT. Maker and Co-Maker(s) agree that any attorney-at-law may appear in any court of record situated in any County where the Maker and/or Co-Maker(s) then reside or in the County where Maker and/or Co-Maker signed this Note and being in the United States at any time after the debt evidenced will become due, either at its stated maturity or by declaration and will waive the issuing and service of process and confess judgment against the Maker and Co-Maker(s), jointly and severally, in favor of the Holder, for the amount then owing on this Note, together with the costs of suit and thereupon release all errors and waive all right of appeal.

14. HEADINGS. The headings in this Note are for convenience only, do not constitute a part of this Note, and will not be deemed to have any legal effect.

[Remainder of page left blank; Signature page follows]

**THIS PROMISSORY NOTE MAY NOT BE ACCEPTED BY HOLDER WITHOUT ALL
MAKER AND CO-MAKER SIGNATURES**

IN WITNESS WHEREOF, the undersigned Maker and Co-Maker(s) have executed this
Note as of the date first set forth above.

MAKER: _____

By:

Name: _____

Title: **Authorized Person**

CO-MAKER: _____

_____, Individually

CO-MAKER: _____

_____, Individually

EXHIBIT E-2
SECURITY AGREEMENT

SECURITY AGREEMENT

This Security Agreement ("Security Agreement") is made effective as of the date signed by Secured Party, between _____, ("Debtor"), and Christie's International Real Estate, LLC ("Secured Party").

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, Debtor grants to Secured Party a security interest in all accounts receivable and payment intangibles; cash proceeds; contract rights; leases; furniture; furnishings; equipment; fixtures; inventory; commissions; real estate listings, listing agreements and related rights which are located at, utilized by or related to the real estate brokerage business conducted by Debtor and including the proceeds therefrom and any and all amendments or replacements thereto and any rebate/award program (or similar incentive programs) to which Debtor and/or any Co-Debtors may be entitled pursuant to any License agreement entered into with Secured Party, together with all such rights and property hereafter acquired by Debtor and Co-Debtors; and all general intangibles (collectively, the "Collateral") as well as all parts, replacements, substitutions, profits, products and cash and non-cash proceeds of the foregoing Collateral (including insurance and condemnation proceeds payable by reason of condemnation of or loss or damage thereto). [Add following only for Security Agreements filed in New Jersey - The Collateral described herein falls within the scope of the Uniform Commercial Code enacted in New Jersey, including N.J.S.A. 12A:9-102 and N.J.S.A. 12A:9-109.] The foregoing Collateral is granted to Secured Party as security for (i) the prompt payment of any promissory notes executed by Debtor in favor of Secured Party, and any renewals, compromises, extensions, modifications, accelerations or other changes in the time for performance or other terms (the "Notes"), and (ii) performance under any License agreements between Debtor and Secured Party, as the same may be amended (the "License Agreements"), and (iii) all other agreements between Debtor and Secured Party.

SECTION 1 -- DEBTOR'S OBLIGATIONS. Debtor agrees to the following:

- (a) Debtor will properly maintain and care for the Collateral and will not remove the Collateral from the Offices (as defined in the License Agreements).
- (b) Debtor will notify Secured Party in writing prior to any change in Debtor's place of business;
- (c) Debtor has not executed and will not execute as Debtor any security agreement or financing statement covering any of the Collateral except with Secured Party, nor will Debtor pledge or encumber the Collateral, or allow any lien to be placed against the Collateral, whether voluntary or involuntary;
- (d) Debtor represents and warrants to Secured Party that the Collateral shall not become collateral for any other obligations previously incurred, nor collateral under any other security agreement(s) previously executed by Debtor; and
- (e) Debtor will not sell, contract for sale or otherwise dispose of any of the Collateral except in the ordinary course of business.

SECTION 2 -- DEFAULTS. Debtor shall be in default under this Security Agreement upon the occurrence of any of the following events or conditions (an "Event of Default"):

- (a) The failure by Debtor to pay any amount when due under the terms and provisions of the Notes (after applicable grace periods, if any); or

(b) Debtor's breach of any term, provision, warranty or representation set forth in this Security Agreement or in the License Agreements, or in any other agreement between Debtor and Secured Party; or

(c) The making of any levy on, or seizure or attachment of, any of the Collateral, if such levy, seizure or attachment is not set aside within fifteen (15) days; or

(d) The dissolution, termination of existence or insolvency of Debtor; the appointment of a receiver of all or any part of the property of Debtor; an assignment for the benefit of creditors by Debtor; the calling of a meeting of creditors of Debtor; or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor, surety or endorser for Debtor; or

(e) Any guarantor, surety or endorser for Debtor defaulting in any obligation or material liability to Secured Party, if Debtor does not cure the default within five (5) days of receiving written notice.

SECTION 3 -- REMEDIES AFTER DEFAULT.

(a) If an Event of Default occurs, in addition to all other rights and remedies given Secured Party under any and all agreements by and among Secured Party, Debtor and/or Debtor's guarantors, or otherwise by law, may do one or more of the following, without notice to or demand upon Debtor:

1) Declare all obligations secured by this Security Agreement immediately due and payable;

2) Enforce the security interest given under this Security Agreement and otherwise exercise the rights of a secured creditor provided under the laws of the state in which the Office is located

3) Require Debtor to assemble the Collateral and make it available to Secured Party; and/or

4) Enter any office or offices of Debtor and take possession of the Collateral and of the records pertaining to the Collateral.

(b) Secured Party may apply the proceeds of any disposition of Collateral available for satisfaction of Debtor's indebtedness, which shall include the reasonable expenses of such sale, in any order of preference that Secured Party, chooses in its sole discretion. Debtor shall remain liable for any deficiency.

SECTION 4 -- INSURANCE PROCEEDS. So long as no default exists under this Security Agreement, the proceeds of fire and casualty insurance covering the Collateral may be used by Debtor for the repair and restoration of Debtor's facilities or Offices (as defined in the License Agreements).

SECTION 5 -- DUTIES OF SECURED PARTY. Secured Party's duties or responsibilities with reference to the Collateral shall be limited solely to the duties and responsibilities in this Security Agreement and Secured Party shall not be responsible in any way for the condition, depreciation or maintenance of the Collateral other than as described in this Security Agreement. Debtor shall pay when due all taxes, charges, liens and assessments against the Collateral.

SECTION 6 -- MISCELLANEOUS.

(a) Waiver. Any express or implied waiver of any provision of this Security Agreement and any delay or failure by Secured Party to enforce any provision of this Security Agreement shall not preclude Secured Party from later enforcing any such provision.

(b) Governing Law. This Security Agreement shall be governed by and construed according to the laws of the State of Illinois.

(c) Remedies. All rights and remedies provided in this Security Agreement are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude its further exercise or the exercise of any other right or remedy.

(d) Financing Statement. At the same time this Security Agreement is signed, Secured Party shall file a UCC-1 Financing Statement with the Secretary of State in the state of formation (or residence if a sole proprietor) of the Debtor or other appropriate governmental authority to perfect the security interest created by this Security Agreement. Debtor will sign such other documents as Secured Party may reasonably require to perfect its security interest in the Collateral.

(e) Notices. In the event either party desires to give notice to the other with regard to this Security Agreement, the notice shall be in writing and may be hand delivered, express mailed, or sent by certified or registered mail. Mailed notices as provided under this Security Agreement shall be deemed to be given two (2) days after they are sent. Such notices shall be sent to the address provided for such party in the License Agreements, unless a party gives notice of a change of its address.

(f) Successors in Interest. This Security Agreement shall inure to the benefit of, and be binding upon, the successors in interest of the parties hereto.

(g) Amendments. This Security Agreement may only be amended by a writing signed by both parties.

(h) Entire Agreement. This Security Agreement constitutes the entire agreement between the parties regarding the matters discussed in this Security Agreement, all representations or understandings, whether oral or written, having been incorporated or otherwise superseded by this Security Agreement.

(i) Facsimiles. Facsimile or electronic copies of this Security Agreement shall be deemed to have the same force and effect as the original and shall be fully binding on all parties.

THE PERSON SIGNING THIS AGREEMENT ON BEHALF OF THE DEBTOR REPRESENTS AND WARRANTS THAT HE OR SHE IS A DULY APPOINTED OFFICER OR OTHERWISE HAS BEEN AUTHORIZED TO BIND THE DEBTOR TO THE TERMS OF THIS SECURITY AGREEMENT.

WHEREFORE, the parties have signed this Security Agreement effective as of the date set forth below.

DEBTOR

By: _____

Name:

Title: **Authorized Person**

Date: _____

SECURED PARTY

By: _____

Natasha Joseph, Vice President, License Enablement

Date: _____
("Effective Date")

EXHIBIT F

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD

LIST OF CURRENT AFFILIATES

The following is a list of the names of all Affiliates* and the address and telephone number of each of their outlets as of the end of our most recently completed fiscal year.

* The CHRISTIE'S INTERNATIONAL REAL ESTATE Affiliates that commenced operation prior December 1, 2021 operate under license agreements designated as "Participating Broker Agreements" or "PBAs." All independent CHRISTIE'S INTERNATIONAL REAL ESTATE licensees, or independent CHRISTIE'S INTERNATIONAL REAL ESTATE businesses, are referred to as "Affiliates." For the purposes of this Disclosure Document, and in particular this Exhibit F, these Affiliates are referred to as "franchisees" or "franchised outlets".

Current Outlets as of December 31, 2025:

State	Affiliate	Address	Telephone
Arizona	Walt Danley Realty LLC	6720 North Scottsdale Road #140 Paradise Valley, Arizona 85253	(480) 991-2050
California	Christie's International Real Estate SoCal (f/k/a AKG Real Estate	433 N Camden Dr. Suite 600 Beverly Hills, CA 90210	(424) 249-7162
	Christie's International Real Estate Sereno	214 Los Gatos-Saratoga Road, Los Gatos, CA 95030	(408) 335-1400
Colorado	Christie's International Real Estate Aspen	520 E Durant Avenue, Suite 205 Aspen, CO 81611	(970) 544-5800
Delaware	Hubble Bisbee-Christie's International Real Estate	2300 West Joppa Road Suite 104 Lutherville, MD 21093	(444) 838-0438
Florida	American Caribbean Real Estate	81800 Overseas Highway Islamorada, FL 33036	(305) 664-4966
	Christie's International Real Estate Emerald Coast	4923 E County Hwy 30a Bldg. A Santa Rosa Beach, FL 32459	(850) 213-2800
	Christie's International Real Estate First Coast	1611 Atlantic Blvd Jacksonville FL 32207	(904) 372-4711
	Fortune International Realty	1390 Brickell Ave Suite 104 Miami, Florida, 33131	(305) 400-6393
	John R. Wood	9130 Corsea Del Fontana Way Naples, Florida, 34109	(239) 262-1900
	Premier Estate Properties- Palm Beach	125 Worth Avenue, Suite 221 Palm Beach FL, 33480	(866) 485-1955
Georgia	Seabolt Brokers	24 E Oglethorpe Avenue Savannah, GA 31401	(912) 233-6609

State	Affiliate	Address	Telephone
Idaho	Sun Valley Real Estate	300 N Main Street PO Box 2277 Ketchum, ID 83340	(208) 726-6000
	PureWest Christie's International Real Estate	108 North 3rd Avenue Sandpoint, ID 83864	(208) 265-2753
Iowa	@properties Elleven Christie's International Real Estate	1814 Parmenter Rd Middleton, WI 53562	(608) 733-3360
Kentucky	Christie's International Real Estate Bluegrass	3609 Walden Drive Lexington, KY 40517	(859) 245-1179
Maryland	Hubble Bisbee-Christie's International Real Estate	2300 West Joppa Road Suite 104 Lutherville, MD 21093	(444) 838-0438
Massachusetts	LandVest, Inc.	Ten Post Office Square Suite 1125 S Boston, MA 02109	(617) 723-1800
	CIRE Atlantic Brokerage	720 Main Street Chatham, MA 02633 US	(508) 945-6000
Michigan	@properties REMI Christie's International Real Estate	416 E Mitchell Street, #1 Petoskey, MI 49770	(231) 881-9400
Montana	PureWest Real Estate	17 1st Avenue East Kalispell, MT 59901	(406) 885-6987
New Jersey	CIRE Northern New Jersey	40 West Ridgewood Avenue Ridgewood, NJ 07450	(201) 962-9552
New York	CIRE Westchester & Hudson Valley	72 Garth Road Scarsdale, NY 10583	(914) 200 3931
	CIRE Group- New York City	One Rockefeller Plaza New York, NY 10020 United States	212-590-2473
North Carolina	Ivester Jackson Blackstream	18 S Pack Square Asheville, NC 28801	(828) 367-9001
	Ivester Jackson Distinctive Properties	21025 Catawba Avenue Suite 101 Cornelius, NC 28031	(704) 241-0118
Oregon	Christie's International Real Estate Evergreen	937 NW Glisan St #115, Portland, OR 97209	(503) 334-1473
Puerto Rico	Christie's International Real Estate Puerto Rico	1904 McLeary Ave. San Juan, PR 00911 PR	(939) 337-3000
Rhode Island	Hogan Associates	294 Valley Road Middletown, RI 02842	401 680 6588

State	Affiliate	Address	Telephone
South Carolina	BlackStream Real Estate	20 Overbrook Court Greenville, SC 29607	(864) 920-0303
	The Litchfield Company- Christie's International Real Estate	14240 Ocean Hwy. Pawleys Island, South Carolina 29585	(843) 237-4241
	Christie's International Real Estate IndigoOak	18 Broad Street, 2nd Floor, Suite 8 Charleston, SC, 29401	(843) 655-7446
	Ivester Jackson Distinctive Properties	21025 Catawba Avenue Suite 101 Cornelius, NC 28031	(704) 241-0118
Texas	@properties Lonestar Christie's International Real Estate (Dallas)	3100 Monticello Ave. #Ste 950 Dallas, TX 75205	(214) 821-3336
	@properties Lonestar Christie's International Real Estate (Austin)		
US Virgin Islands	CIRE- Caribbean	6111 Estate Nazareth St Thomas, Virgin Islands, 00802	(340) 776-5000
Utah	Christie's International Real Estate Park City	1790 Bonanza Dr., Suite 201 Park City, UT 84060	(435) 649-0891
Wisconsin	@properties Elleven Christie's	1814 Parmenter Rd Middleton, WI 53562	(608) 733-3360

EXHIBIT G

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD

LIST OF FORMER AFFILIATES

As discussed in Item 20, we use the term “Affiliates” in our agreements, meaning the operator, licensee, or franchisee. For this Exhibit G, “Affiliates” who left the system are former franchisees. The following is a list of Affiliates who had an outlet terminated, cancelled, not renewed or otherwise ceased to do business under the License Agreement during the most recently completed fiscal year or who had not communicated with us within ten weeks of the date of the disclosure document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Former Affiliates as of December 31, 2025:

State	Affiliate	Address	Office Phone
Florida	Coastal Properties Group, International	423 Mandalay Avenue, Suite 102 Clearwater Beach, FL 33767	(727) 493-1555
	GoToTheBeach Real Estate	3567 E County Highway 30A Santa Rosa Beach, FL 32459	(727) 493-1555
North Carolina	Christie's International Real Estate Carolina Signature	5000 Falls of Neuse Road Suite 100 Raleigh, NC 27609	(919) 845-9909
South Carolina	The Lachicotte Company	10554 Ocean Highway Pawleys Island, SC 29585	(843) 237-3366
	William Means Real Estate, LLC	25 Broad Street Charleston, SC 29401	(843) 577-6651
Texas	Nan and Company Properties	2200 Post Oak Boulevard Suite 1475 Houston, TX 77056	(713) 714-6454

EXHIBIT H
FINANCIAL STATEMENTS
COMPASS, INC. – 2025
CHRISTIE’S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC – 2023 AND 2024

Item 8. Financial Statements and Supplementary Data.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Compass, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Compass, Inc. and its subsidiaries (the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of operations, of stockholders’ equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes and schedule of valuation and qualifying accounts for each of the three years in the period ended December 31, 2025 appearing under Item 15(a)2 (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As described in Management’s Report on Internal Control over Financial Reporting, management has excluded At World Properties Holdings, LLC, known as @properties Christie’s International Real Estate (“CIRE”) from its assessment of internal control over financial reporting as of December 31, 2025 because it was acquired by the Company in a purchase business combination during 2025. We have also excluded CIRE from our audit of internal control over financial reporting. CIRE and its consolidated subsidiaries’ total assets and total revenues excluded from management’s assessment and our audit of internal control over financial reporting represent 3% and 8%, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2025.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Acquisition of @properties Christie's International Real Estate - Valuation of Intangible Assets Related to @properties Brokerage Business Agent Network, Franchise Network, and Technology

As described in Note 3 to the consolidated financial statements, on January 13, 2025, the Company completed the acquisition of CIRE. The acquisition resulted in \$58.0 million of @properties brokerage business agent network intangible asset, \$42.3 million of franchise network intangible asset, and \$29.2 million of technology intangible asset being recorded. The fair values of the @properties brokerage business agent network and franchise network intangible assets were determined using the multi-period excess earnings method. Determining the fair value of these intangible assets required management to use significant judgment, estimates, and assumptions, including the discount rates, revenue growth rates, and projected margins. The fair value of the technology intangible asset was determined using the relief-from-royalty method. Determining the fair value of this intangible asset required management to use significant judgment, estimates, and assumptions, including the royalty rate and the revenue growth rate.

The principal considerations for our determination that performing procedures relating to the valuation of the intangible assets related to @properties brokerage business agent network, franchise network, and technology acquired in the acquisition of CIRE is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the intangible assets related to @properties brokerage business agent network, franchise network, and technology; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to (a) the discount rates, revenue growth rates, and projected margins for the @properties brokerage business agent network and franchise network intangible assets and (b) the royalty rate and revenue growth rate for the technology intangible asset; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the acquisition accounting, including controls over management's valuation of the intangible assets related to @properties brokerage business agent network, franchise network, and technology acquired. These procedures also included, among others, (i) reading the purchase agreement; (ii) testing management's process for developing the fair value estimate of the intangible assets related to @properties brokerage business agent network, franchise network, and technology acquired; (iii) evaluating the appropriateness of the multi-period excess earnings and relief-from-royalty methods used by management; (iv) testing the completeness and accuracy of underlying data used in the multi-period excess earnings and relief-from-royalty methods; and (v) evaluating the reasonableness of the significant assumptions used by management related to (a) the discount rates, revenue growth rates, and projected margins for the @properties brokerage business agent network and franchise network intangible assets and (b) the royalty rate and revenue growth rate for the technology intangible asset. Evaluating management's assumptions related to revenue growth rates and projected margins involved considering (i) the current and past performance of the @properties brokerage and CIRE businesses; (ii) the

consistency with external industry and market data; and (iii) whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the multi-period excess earnings and relief-from-royalty methods and (ii) the reasonableness of the discount rates and royalty rate assumptions.

/s/ PricewaterhouseCoopers LLP

New York, New York

February 27, 2026

We have served as the Company's auditor since 2014.

Compass, Inc.
Consolidated Balance Sheets
(In millions, except share and per share data)

	December 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 199.0	\$ 223.8
Accounts receivable, net of allowance of \$3.5 and \$4.4, respectively	57.0	48.6
Compass Concierge receivables, net of allowance of \$9.7 and \$10.4, respectively	25.0	24.4
Other current assets	36.2	33.2
Total current assets	317.2	330.0
Property and equipment, net	113.8	125.5
Operating lease right-of-use assets	381.1	389.7
Intangible assets, net	193.3	73.8
Goodwill	479.2	233.6
Other non-current assets	54.9	25.4
Total assets	<u>\$ 1,539.5</u>	<u>\$ 1,178.0</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 12.5	\$ 13.0
Commissions payable	94.8	82.8
Accrued expenses and other current liabilities	138.0	140.3
Current lease liabilities	99.3	93.5
Concierge credit facility	22.7	23.6
Total current liabilities	367.3	353.2
Non-current lease liabilities	354.2	380.5
Other non-current liabilities	30.7	31.9
Total liabilities	752.2	765.6
Commitments and contingencies (Note 11)		
Stockholders' equity		
Common stock, \$0.00001 par value, 13,850,000,000 shares authorized at December 31, 2025 and 2024; 563,479,423 and 513,143,108 shares issued and outstanding at December 31, 2025 and 2024, respectively	—	—
Additional paid-in capital	3,512.7	3,081.6
Accumulated deficit	(2,730.7)	(2,672.2)
Total Compass, Inc. stockholders' equity	782.0	409.4
Non-controlling interest	5.3	3.0
Total stockholders' equity	787.3	412.4
Total liabilities and stockholders' equity	<u>\$ 1,539.5</u>	<u>\$ 1,178.0</u>

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

Compass, Inc.
Consolidated Statements of Operations
(In millions, except share and per share data)

	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 6,961.6	\$ 5,629.1	\$ 4,885.0
Operating expenses:			
Commissions and other related expense	5,679.7	4,634.6	4,007.0
Sales and marketing	377.9	368.7	435.4
Operations and support	429.4	334.5	326.9
Research and development	245.8	188.8	184.5
General and administrative	144.3	165.2	125.7
Anywhere merger transaction and integration expenses	18.1	—	—
Restructuring costs	17.1	9.7	30.4
Depreciation and amortization	112.7	82.4	90.0
Total operating expenses	7,025.0	5,783.9	5,199.9
Loss from operations	(63.4)	(154.8)	(314.9)
Investment income, net	5.5	6.8	8.5
Interest expense	(9.0)	(6.4)	(10.8)
Loss before income taxes and equity in income (loss) of unconsolidated entities	(66.9)	(154.4)	(317.2)
Benefit from income taxes	1.1	0.5	0.4
Equity in income (loss) of unconsolidated entities	7.1	(0.6)	(3.3)
Net loss	(58.7)	(154.5)	(320.1)
Net loss (income) attributable to non-controlling interests	0.2	0.1	(1.2)
Net loss attributable to Compass, Inc.	\$ (58.5)	\$ (154.4)	\$ (321.3)
Net loss per share attributable to Compass, Inc., basic and diluted	\$ (0.10)	\$ (0.31)	\$ (0.69)
Weighted-average shares used in computing net loss per share attributable to Compass, Inc., basic and diluted	562,153,375	501,514,681	466,522,935

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

Compass, Inc.
Consolidated Statements of Stockholders' Equity
(In millions, except share amounts)

	Common Stock		Additional	Accumulated	Total	Non-controlling	Total
	Shares	Amount	Paid-in Capital	Deficit	Compass, Inc. Stockholders' Equity	Interest	Stockholders' Equity
Balances at December 31, 2022	438,098,194	\$ —	\$ 2,713.6	\$ (2,196.5)	\$ 517.1	\$ 3.6	\$ 520.7
Net loss	—	—	—	(321.3)	(321.3)	1.2	(320.1)
Other activity related to non-controlling interests	—	—	—	—	—	(1.5)	(1.5)
Issuance of common stock in connection with acquisitions	5,737,060	—	17.9	—	17.9	—	17.9
Issuance of common stock upon exercise of stock options	2,963,701	—	4.5	—	4.5	—	4.5
Issuance of common stock upon settlement of RSUs, net of taxes withheld	14,229,086	—	(23.5)	—	(23.5)	—	(23.5)
Vesting of early exercised stock options	—	—	0.6	—	0.6	—	0.6
Issuance of common stock in connection with the 2022 Agent Equity Program	14,147,480	—	53.3	—	53.3	—	53.3
Issuance of common stock under the ESPP	759,835	—	2.5	—	2.5	—	2.5
Issuance of common stock in connection with the Strategic Transaction	8,957,910	—	30.0	—	30.0	—	30.0
Stock-based compensation	—	—	147.6	—	147.6	—	147.6
Balances at December 31, 2023	484,893,266	\$ —	\$ 2,946.5	\$ (2,517.8)	\$ 428.7	\$ 3.3	\$ 432.0
Net loss	—	—	—	(154.4)	(154.4)	(0.1)	(154.5)
Other activity related to non-controlling interests	—	—	—	—	—	(0.2)	(0.2)
Issuance of common stock in connection with acquisitions	6,583,051	—	26.6	—	26.6	—	26.6
Issuance of common stock upon exercise of stock options	4,722,210	—	10.0	—	10.0	—	10.0
Issuance of common stock upon settlement of RSUs, net of taxes withheld	16,223,306	—	(35.0)	—	(35.0)	—	(35.0)
Issuance of common stock under the ESPP	721,275	—	2.2	—	2.2	—	2.2
Stock-based compensation	—	—	131.3	—	131.3	—	131.3
Balances at December 31, 2024	513,143,108	\$ —	\$ 3,081.6	\$ (2,672.2)	\$ 409.4	\$ 3.0	\$ 412.4
Net loss	—	—	—	(58.5)	(58.5)	(0.2)	(58.7)
Other activity related to non-controlling interests	—	—	—	—	—	2.5	2.5
Share Consideration issued and to be issued in connection with the acquisition of Christie's International Real Estate (Note 3)	28,440,129	—	250.1	—	250.1	—	250.1
Issuance of common stock in connection with acquisitions	1,725,784	—	14.2	—	14.2	—	14.2
Issuance of common stock upon exercise of stock options	4,388,068	—	17.4	—	17.4	—	17.4
Issuance of common stock upon settlement of RSUs, net of taxes withheld	15,222,294	—	(61.1)	—	(61.1)	—	(61.1)
Issuance of common stock under the ESPP	560,040	—	2.9	—	2.9	—	2.9
Stock-based compensation	—	—	207.6	—	207.6	—	207.6
Balances at December 31, 2025	563,479,423	\$ —	\$ 3,512.7	\$ (2,730.7)	\$ 782.0	\$ 5.3	\$ 787.3

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

Compass, Inc.
Consolidated Statements of Cash Flows
(In millions)

	Year Ended December 31,		
	2025	2024	2023
Operating Activities			
Net loss	\$ (58.7)	\$ (154.5)	\$ (320.1)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	112.7	82.4	90.0
Stock-based compensation	202.7	127.5	158.2
Equity in (income) loss of unconsolidated entities	(7.1)	0.6	3.3
Change in acquisition-related contingent consideration	(0.2)	6.0	2.6
Bad debt expense	(0.6)	(2.1)	4.4
Amortization of debt issuance costs	1.0	0.7	0.7
Changes in operating assets and liabilities:			
Accounts receivable	7.1	(8.0)	(3.5)
Compass Concierge receivables	(1.0)	(0.8)	18.0
Other current assets	1.7	21.3	21.4
Other non-current assets	(6.8)	7.0	9.1
Operating lease right-of-use assets and operating lease liabilities	(12.0)	(17.4)	(1.2)
Accounts payable	(2.8)	(6.3)	(9.8)
Commissions payable	5.3	23.1	11.6
Accrued expenses and other liabilities	(24.6)	42.0	(10.6)
Net cash provided by (used in) operating activities	216.7	121.5	(25.9)
Investing Activities			
Investment in unconsolidated entities	(3.9)	(2.0)	(1.2)
Capital expenditures	(13.4)	(15.7)	(11.2)
Payments for acquisitions, net of cash acquired	(174.0)	(18.9)	0.7
Net cash used in investing activities	(191.3)	(36.6)	(11.7)
Financing Activities			
Proceeds from exercise of stock options	17.8	9.5	4.5
Proceeds from issuance of common stock under the Employee Stock Purchase Plan	2.9	2.2	2.5
Taxes paid related to net share settlement of equity awards	(61.1)	(35.0)	(23.5)
Proceeds from drawdowns on Concierge Facility	47.9	48.7	55.4
Repayments of drawdowns on Concierge Facility	(48.8)	(49.9)	(62.5)
Proceeds from drawdowns on Revolving Credit Facility	70.0	—	75.0
Repayments of drawdowns on Revolving Credit Facility	(70.0)	—	(225.0)
Payments of issuance costs related to Credit Facilities	(4.1)	—	—
Proceeds from issuance of common stock in connection with the Strategic Transaction	—	—	32.3
Payments related to acquisitions, including contingent consideration	(7.4)	(3.4)	(14.6)
Other	2.6	(0.1)	(1.5)
Net cash used in financing activities	(50.2)	(28.0)	(157.4)
Net (decrease) increase in cash and cash equivalents	(24.8)	56.9	(195.0)
Cash and cash equivalents at beginning of period	223.8	166.9	361.9
Cash and cash equivalents at end of period	\$ 199.0	\$ 223.8	\$ 166.9
Supplemental disclosures of cash flow information:			
Cash paid for interest	\$ 5.6	\$ 3.4	\$ 9.0
Supplemental non-cash information:			
Issuance of common stock for acquisitions	\$ 264.3	\$ 26.6	\$ 17.9

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

Compass, Inc.

Notes to Consolidated Financial Statements

1. Business

Description of the Business

Compass, Inc., d/b/a Compass International Holdings (the “Company”) was incorporated in Delaware on October 4, 2012 under the name Urban Compass, Inc.

The Company provides an end-to-end platform that empowers its residential real estate agents to deliver exceptional service to seller and buyer clients. The Company’s platform includes an integrated suite of cloud-based software for customer relationship management, marketing, client service and other critical functionality, all custom-built for the real estate industry, which enables the Company’s core brokerage services. The platform also uses proprietary data, analytics, artificial intelligence, and machine learning to deliver high value recommendations and outcomes for Compass agents and their clients.

The Company’s agents are independent contractors who affiliate their real estate licenses with the Company and operate their businesses on the Company’s platform under the Compass brand. The Company generates revenue by assisting home sellers and buyers through its agents with listing, marketing, selling, and finding homes, as well as through transaction-adjacent services such as title and escrow and royalties and fees from third-party franchisees. Substantially all of the Company’s revenue is currently derived from commissions paid by clients at the time a home sale is transacted.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company’s consolidated financial statements were prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) and include the assets, liabilities, revenues and expenses of all controlled subsidiaries. The consolidated statements of operations include the results of entities acquired from the date of each respective acquisition.

Consolidation

The Company consolidates an entity if its ownership, direct or indirect, exceeds 50% of the outstanding voting shares of an entity and/or it has the ability to control the financial or operating policies through its voting rights, board representation or other similar rights. Interests held by third parties in consolidated subsidiaries are presented as non-controlling interests, which represents the non-controlling stockholders’ interests in the underlying net assets of the Company’s consolidated subsidiaries. For entities where the Company does not have a controlling interest (financial or operating), the investments in such entities are accounted for using the equity method or at fair value with changes in fair value recognized in net income, as appropriate. The Company applies the equity method of accounting when it has the ability to exercise significant influence over operating and financial policies of an investee. The Company measures all other investments at fair value with changes in fair value recognized in net income or in the case that an equity investment does not have readily determinable fair values, at cost minus impairment (if any) plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the reporting periods covered by the consolidated financial statements and accompanying notes. These judgments, estimates and assumptions are used for, but not limited to (i) valuation of the Company’s common stock and stock awards, (ii) fair value of acquired intangible assets and goodwill, (iii) fair value of contingent consideration arrangements in connection with business combinations, (iv) incremental borrowing rate used for the Company’s operating leases, (v) useful lives of long-lived assets, (vi) impairment of intangible assets and goodwill, (vii) allowance for Compass Concierge receivables and (viii) income taxes and certain deferred tax assets. The Company determines its estimates and judgments on historical

Compass, Inc.**Notes to Consolidated Financial Statements**

experience and on various other assumptions that it believes are reasonable under the circumstances. However, actual results could differ from these estimates and these differences may be material.

Net Loss Per Share Attributable to Compass, Inc.

The Company follows the two-class method when computing net loss per common share when shares are issued that meet the definition of participating securities. The two-class method determines net loss per common share for each class of common stock and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common stock and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed.

For periods in which the Company reports net losses, diluted net loss per common share attributable to Compass, Inc. is the same as basic net loss per common share attributable to Compass, Inc., because potentially dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

Cash and Cash Equivalents

The Company considers all investments with an original maturity date at the time of purchase of three months or less to be cash and cash equivalents. Cash equivalents consist primarily of money market funds and U.S. treasury securities.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable is stated as the amount billed, net of an estimated allowance for credit losses (“ACL”). The Company’s ACL is adjusted periodically and is based on management’s consideration of the age and nature of the past due accounts as well as specific payment issues. Changes in the Company’s estimate to the ACL is recorded through bad debt expense and individual accounts are charged against the allowance when all reasonable collection efforts are exhausted. The following table summarizes the activity of the ACL for Accounts receivable (in millions):

	December 31,	
	2025	2024
Opening balance	\$ 4.4	\$ 8.6
Changes in allowances	(1.0)	(2.5)
Net write-offs and other	0.1	(1.7)
Closing balance	<u>\$ 3.5</u>	<u>\$ 4.4</u>

Prepaid Agent Incentives

Other current assets and Other non-current assets in the consolidated balance sheets include prepaid agent incentives that represent cash payments made to certain agents as an incentive to associate their license with the Company. The prepaid agent incentives have a related service period requirement which provides for the repayment of such amounts if the agent disassociates from the Company prior to the completion of the specified service period. The value of these prepaid agent incentives are amortized within Sales and marketing expense in the consolidated statements of operations over the underlying service periods.

Property and Equipment, net

Property and equipment is reported at cost net of any accumulated depreciation and is depreciated using the straight-line method over the useful lives of the related assets. Expenditures for maintenance, repair and renewals of minor items are charged to expense as incurred. Major improvements are capitalized.

The Company capitalizes costs associated with developing software systems that are in the application development stage. Software development costs that are incurred in the preliminary project stage and post-implementation stage are expensed as incurred.

Compass, Inc.**Notes to Consolidated Financial Statements**

The useful lives of property and equipment are as follows:

Description	Useful Life
Leasehold improvements	Lesser of estimated useful life or remaining lease term
Office furniture and equipment	Five years
Computer software and internally-developed software	Three years
Computer equipment	Three years

Business Combinations

Business combinations are accounted for under the acquisition method of accounting. This method requires, among other things, allocation of the fair value of purchase consideration to the tangible and intangible assets acquired and liabilities assumed at their estimated fair values on the acquisition date. The excess of the fair value of purchase consideration over the values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair value of assets acquired and liabilities assumed, management makes estimates and assumptions, especially with respect to intangible assets. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, not to exceed one year from the date of acquisition, the Company may record adjustments to the assets acquired and liabilities assumed, with a corresponding offset to goodwill if new information is obtained related to facts and circumstances that existed as of the acquisition date. After the measurement period, any subsequent adjustments are reflected in the consolidated statements of operations. Acquisition costs, consisting primarily of third-party legal, advisory and consulting fees, are expensed as incurred.

Intangible Assets

Intangible assets resulting from the acquisition of entities are accounted for using the acquisition method based on management's estimate of the fair value of assets received. Intangible assets are finite lived and mainly consist of customer relationships, workforce and acquired technology and are amortized over their respective estimated useful lives. The useful lives were determined by estimating future cash flows generated by the acquired intangible assets. The Company amortizes these intangible assets on a straight-line basis over their estimated useful lives within the Company's operating expenses.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets or asset groups (collectively, "asset groups") may not be recoverable. This includes but is not limited to significant adverse changes in business climate, market conditions, or other events that indicate an asset groups' carrying amount may not be recoverable. Recoverability of asset groups to be held and used is measured first by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset group. If such asset groups were considered to be impaired, an impairment loss would be recognized when the carrying amount of the asset exceeds the fair value of the asset.

No material impairment losses for long-lived assets have been recognized in any of the periods presented.

Goodwill

Goodwill represents the excess of the cost of an acquired business over the fair value of the assets acquired at the date of acquisition. Goodwill is not subject to amortization but is subject to impairment testing on an annual basis, as of October 1, or whenever events and circumstances indicate that the carrying value of the reporting unit may be in excess of the reporting unit's fair value. The Company has one reporting unit and tests goodwill for impairment at the reporting unit level. As part of the goodwill impairment test, the Company first performs a qualitative assessment to determine whether further impairment testing is necessary. If, as a result of its qualitative assessment, it is more-likely-than-not that the fair value of the Company's reporting unit is less than its carrying amount, a two-step impairment test is required.

If factors indicate that the fair value of the reporting unit is less than its carrying amount, the Company performs a quantitative assessment and the fair value of the reporting unit is determined by analyzing the expected present value of

Compass, Inc.

Notes to Consolidated Financial Statements

future cash flows. If the carrying value of the reporting unit continues to exceed its fair value, the implied fair value of the reporting unit's goodwill is calculated and an impairment loss equal to the excess is recorded. The Company has not recorded any impairments related to goodwill as of December 31, 2025.

Leases

The Company determines if an arrangement contains a lease at inception based on whether there is an identified asset and whether the Company controls the use of the identified asset throughout the period of use. The Company classifies leases as either financing or operating. The Company does not have any finance leases. Right-of-use ("ROU") assets are recognized at the lease commencement date and represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term.

Present value of lease payments are discounted based on the more readily determinable of (i) the rate implicit in the lease or (ii) the Company's incremental borrowing rate. Because the Company's operating leases generally do not provide an implicit rate, the Company estimates its incremental borrowing rate based on the information available at lease commencement date for collateralized borrowings with a similar term, an amount equal to the lease payments and in a similar economic environment where the leased asset is located. The collateralized borrowings were based on the Company's estimated credit rating corroborated with market credit metrics like debt level and interest coverage.

The Company's operating lease ROU assets are measured based on the corresponding operating lease liability adjusted for (i) payments made to the lessor at or before the commencement date, (ii) initial direct costs incurred and (iii) lease incentives under the lease. Options to renew or terminate the lease are recognized as part of the Company's ROU assets and lease liabilities when it is reasonably certain the options will be exercised. ROU assets are also assessed for impairments consistent with the Company's long-lived asset policy.

The Company does not allocate consideration between lease and non-lease components, such as maintenance costs, as the Company has elected to not separate lease and non-lease components for any leases within its existing classes of assets. Operating lease expense for fixed lease payments is recognized on a straight-line basis over the lease term. Variable lease payments for real estate taxes, insurance, maintenance and utilities, which are generally based on the Company's pro rata share of the total property, are not included in the measurement of the ROU assets or lease liabilities and are expensed as incurred.

Operating leases are presented separately as operating lease ROU assets and operating lease liabilities, current and non-current, in the accompanying consolidated balance sheets.

Revenue Recognition

The Company generates revenue by assisting home sellers and buyers in listing, marketing, selling and finding homes. The Company holds the real estate brokerage license that is necessary under relevant state laws and regulations to provide brokerage services and therefore controls those services that are necessary to legally transfer real estate between home sellers and buyers.

Although the Company's agents are independent contractors, they cannot execute a real estate transaction without a brokerage license, which the Company possesses. The Company has the only contractual relationship for the sale or exchange of real estate with their clients. Accordingly, the Company is the principal in its transactions with home buyers and sellers. As principal, the Company recognizes revenue in the gross amount of consideration to which the Company expects to receive in exchange for those services.

The Company concluded that its brokerage revenue contains a single performance obligation that is satisfied upon the closing of a real estate services transaction, at which point the entire transaction price is earned. Revenue is recognized upon the closing of a real estate transaction (i.e. purchase or sale of a home) since the Company is not entitled to any commission until the performance obligation is satisfied and is not owed any commission for unsuccessful transactions, even if services have been provided. The Company operates primarily in the United States and generates the majority of its revenue from commissions from home sellers and buyers. In addition to commission revenue, the Company generates

Compass, Inc.

Notes to Consolidated Financial Statements

revenue through royalties and fees from third-party franchisees and integrated services related to the home transaction such as title and escrow services which comprised an insignificant amount of the consolidated revenue for the years ended December 31, 2025, 2024 and 2023.

Management evaluated and determined that no disaggregation of revenue is necessary or appropriate.

As the Company generally bills for its services at the time of revenue recognition, the Company does not have material deferred revenue or contract asset balances. In addition, the Company does not capitalize commissions paid to agents as incremental contract costs as there are no future benefits associated with the expenses.

Commissions and Other Related Expense

Commissions and other related expense primarily consist of commissions paid to the Company's agents, who are independent contractors to the Company, upon the closing of a real estate transaction (i.e., purchase or sale of a home), as well as stock-based compensation expense related to the Company's Agent Equity Program (see Note 2 — "Summary of Significant Accounting Policies — Stock-Based Compensation") and fees paid to external brokerages for client referrals, which are recognized and paid upon the closing of a real estate transaction.

The Company also charges fees to independent sales agents. These fees are either transaction based, where amounts are collected at the closing of a brokerage transaction, or in the form of periodic fixed fees over a defined period of time. Fees charged to the Company's independent sales agents are recognized as a reduction to Commissions and other related expense as the reimbursements do not constitute a form of revenue nor do they constitute a reimbursement for a specific, incremental, identifiable cost for the Company.

Sales and Marketing

Sales and marketing expense consists primarily of marketing and advertising expenses, compensation and other personnel-related costs for employees supporting sales, marketing, expansion and related functions, occupancy-related costs for the Company's regional offices, agent recruitment and marketing incentives and costs related to administering the Compass Concierge Program, including associated bad debt expenses. Advertising expense primarily includes the cost of marketing activities such as print advertising, online advertising and promotional items, which are expensed as incurred. Advertising costs were \$77.7 million, \$73.7 million and \$96.6 million for the years ended December 31, 2025, 2024 and 2023, respectively. Compensation costs includes salaries, taxes, benefits, bonuses and stock-based compensation.

Operations and Support

Operations and support expenses include compensation and other personnel related expenses for employees supporting agents, affiliated franchises, transaction-adjacent services such as title and escrow, third-party consulting and professional services costs, fair value adjustments to contingent consideration for the Company's acquisitions and other related expenses.

Research and Development

Research and development expense consists primarily of compensation and other personnel-related costs for employees in the product, engineering and technology functions, website hosting expenses, software licenses and equipment, third-party consulting costs, data licenses and other related expenses.

General and Administrative

General and administrative expense primarily consists of compensation costs for executive management and administrative employees, including finance and accounting, legal, human resources and communications, the occupancy costs for the Company's New York headquarters and other offices supporting administrative functions, litigation charges, professional services fees, insurance expenses and talent acquisition expenses.

Compass, Inc.

Notes to Consolidated Financial Statements

Anywhere merger transaction and integration expenses

Anywhere merger transaction and integration expenses consists of transaction costs, such as legal or investment banking fees, incurred in connection with the Company's entry into the Anywhere Merger Agreement and costs related to preliminary integration activities. See Note 18 — "Subsequent Events" for more information.

Restructuring

Costs and liabilities associated with management-approved restructuring activities are recognized when they are incurred. Restructuring charges primarily consist of costs associated with workforce reductions and operating lease right-of-use asset impairments. One-time employee termination costs are recognized at the time of communication to employees, unless future service is required, in which case the costs are recognized ratably over the future service period. Ongoing employee termination benefits are recognized as a liability when it is probable that a liability exists and the amount is reasonably estimable. Restructuring charges are recognized as an operating expense within the consolidated statements of operations and related liabilities are recorded within Accrued expenses and other current liabilities on the consolidated balance sheets. The Company periodically evaluates and, if necessary, adjusts its estimates based on currently available information.

Depreciation and Amortization

Depreciation and amortization expense primarily consists of depreciation and amortization of the Company's property and equipment, capitalized software and acquired intangible assets.

Interest Expense

Interest expense consists primarily of expense related to the interest, commitment fees and amortization of debt issuance costs associated with the Company's revolving credit facility and concierge credit facility. See Note 9 — "Debt".

Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to settle. The effect on deferred tax assets and liabilities resulting from a change in tax rates is recognized as income or expense in the period that includes the enactment date. Deferred tax assets and liabilities are classified as non-current in accordance with Accounting Standard Update ("ASU") 2015-17. Valuation allowances are established against deferred tax assets if it is more likely than not that they will not be realized.

The Company recognizes tax benefits from uncertain tax positions only if the Company believes that it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The Company continuously reviews issues raised in connection with ongoing examinations and open tax years to evaluate the adequacy of its tax liabilities. The Company's policy is to adjust these reserves when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made and could have a material impact on its financial condition and operating results. The provision for income taxes includes the effects of any reserves that management identifies.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for an asset or liability in an orderly transaction between market participants on the measurement date. The accounting standards also establish a fair value hierarchy, which requires an entity to maximize the use of observable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.

Compass, Inc.

Notes to Consolidated Financial Statements

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| Level 2 | Inputs other than quoted prices included within Level 1 that are observable, unadjusted quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data. |
| Level 3 | Unobservable inputs that are supported by little or no market activity, requiring the Company to develop its own assumptions. |

The carrying amount of the Company's financial instruments including Cash and cash equivalents, Accounts receivable, Compass Concierge receivables, Accounts payable and Commissions payable approximate their respective fair values because of their short maturities. As of December 31, 2025 and 2024, the carrying amount of the Company's debt facilities approximates fair value as the stated interest rate approximates market rates currently available to the Company.

See Note 5 — "Fair Value of Financial Assets and Liabilities," for more information on the fair value of financial assets and liabilities.

Segment Reporting

Operating segments are defined as components of an entity with discrete financial information reviewed by the Chief Operating Decision Maker ("CODM") to allocate resources and assess performance. The Company's CODM is its Chief Executive Officer, who evaluates financial information on a consolidated basis. Accordingly, the Company has one operating and reportable segment, inclusive of the businesses acquired during the year, which are in the process of being integrated into the Company's core business. Substantially all long-lived assets and revenue are based in the United States.

The CODM measures segment performance based on net income (loss), using it to guide key operating decisions, including budget allocation across the significant expense categories included in operating expenses within the consolidated statements of operations. Other measures of profit or loss are also utilized. There are no other expense categories regularly provided to the CODM that are not already included in the primary financial statements herein.

Stock-Based Compensation

The Company measures compensation expense for all stock-based awards based on the estimated fair value of the awards on the date of grant. Compensation expense is generally recognized as expense on a straight-line basis over the service period based on the vesting requirements. The Company recognizes forfeitures as they occur.

The Company issues Restricted Stock Units ("RSUs") to employees, and to independent sales agents and in certain cases in connection with business combinations. In addition to the issuance of RSUs to agents as equity compensation for the provision of services, the Company previously offered RSUs to independent sales agents through its Agent Equity Program. The Agent Equity Program offered independent sales agents the ability to elect to have a portion of their commissions earned during a calendar year to be paid in the form of RSUs. RSUs issued in connection with the Agent Equity Program were granted at the beginning of the year following the calendar year in which the commissions were earned and are subject to the terms and conditions of the 2021 Equity Incentive Plan, as applicable. The Company discontinued the Agent Equity Program following the issuance of RSUs during the first quarter of 2023 related to the 2022 Agent Equity Program.

For RSUs granted in connection with the 2022 Agent Equity Programs the Company determined the value of the stock-based compensation expense at the time the underlying commission was earned and recognized the associated expense on a straight-line basis over the requisite service periods beginning on the closing date of the underlying real estate commission transactions. The stock-based compensation expense was recorded as a liability throughout the service periods and was reclassified to Additional paid-in capital at the end of the vesting period when the underlying RSUs were issued.

For stock options, which the Company issues to employees, independent sales agents and in certain cases in connection with business combinations, the Company generally estimates the fair value using the Black-Scholes option pricing model, which requires the input of subjective assumptions, including (1) the fair value of common stock, (2) the expected stock price volatility, (3) the expected term of the award, (4) the risk-free interest rate and (5) expected dividends. During the years ended December 31, 2025, 2024 and 2023, the number of stock options granted was immaterial.

Compass, Inc.**Notes to Consolidated Financial Statements*****Recently Adopted Accounting Pronouncements***

In December 2023, the FASB issued ASU 2023-09, *Income Taxes - Improvements to Income Tax Disclosures*. This standard includes enhanced income tax disclosures primarily related to the effective tax rate reconciliation and income taxes paid for annual periods. The amendments in this update are effective for public companies with fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted the standard on a prospective basis for the year ended December 31, 2025. As the Company maintains a valuation allowance against its U.S. deferred tax assets, the adoption of this standard did not have a material impact on the Company's income tax disclosures.

New Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*. This new guidance is designed to improve the disclosures of specific account categories, including employee compensation, depreciation, and amortization, and costs incurred related to inventory and manufacturing activities. The amendments in this update are effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently assessing the impact that adopting this new accounting standard will have on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software*. The new guidance eliminates project stages and requires capitalizing software costs to begin when (i) management has authorized and committed to funding the software project, and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in this update are effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. The Company is currently assessing the impact that adopting this new accounting standard will have on its consolidated financial statements.

3. Acquisitions

Assets acquired and liabilities assumed in business combinations are recognized at their acquisition date fair values. Determination of the fair values of assets and liabilities acquired requires estimates and the use of valuation techniques when market values are not readily available. The results of operations of businesses acquired by the Company have been included in the consolidated statements of operations since their respective dates of acquisition. Goodwill generated from all business combinations completed was primarily attributable to expected synergies from future growth and potential monetization opportunities.

Christie's International Real Estate

On January 13, 2025, the Company closed the merger transaction (the "CIRE Merger") contemplated by the Agreement and Plan of Merger (the "CIRE Merger Agreement"), dated November 25, 2024, by and among the Company, Compass Brokerage, LLC, Company Merger Sub, LLC, At World Properties Holdings, LLC, known as @properties Christie's International Real Estate ("Christie's International Real Estate" or "CIRE"), At World Properties Principals Blocker, Inc. ("Principals Blocker"), At World Properties IX Blocker, Inc. ("IX Blocker"), Apple IX Blocker Merger Sub, Inc., Apple Principals Blocker Merger Sub, Inc., and Quad-C LLC, as seller representative. Pursuant to the CIRE Merger Agreement, on January 13, 2025 (the "Closing Date"), the Company acquired all of the issued and outstanding equity securities of each of Principals Blocker, IX Blocker and CIRE and each of Principals Blocker, IX Blocker and CIRE became a wholly owned subsidiary of the Company. The Company entered into this transaction to expand its existing brokerage and integrated services businesses in key domestic markets and to establish a presence in the high-margin franchise sector through the Christie's International Real Estate brand.

The aggregate consideration ("Purchase Consideration") payable pursuant to the CIRE Merger Agreement consisted of (i) \$153.0 million (the "Cash Consideration"); and (ii) 44.1 million shares of the Company's Class A common stock (the "Share Consideration"). The Share Consideration was subject to further adjustment (the "Share Consideration Adjustment") if the value of the Share Consideration on the 366th day following the Closing Date, determined using the price per share equal to the volume-weighted average price of the Company's Class A common stock for the 10-trading day period ending on the 366th day following the Closing Date (the "Post-Closing Share Price"), was (i) greater than

Compass, Inc.**Notes to Consolidated Financial Statements**

\$344.0 million, in which case the Share Consideration was to be reduced by a number of shares in an aggregate amount of up to \$50.0 million (determined using the Post-Closing Share Price), up to a maximum of 5.6 million shares, or (ii) less than \$344.0 million, in which case the Share Consideration was to be increased by a number of shares in an aggregate amount of up to \$50.0 million (determined using the greater of \$6.6612 and the Post-Closing Share Price), up to a maximum of 7.5 million shares.

In May 2025, the Company and certain sellers of the CIRE entities (the “Early Payees”) amended the terms of the Share Consideration (the “May 2025 Amendment”). Under the May 2025 Amendment, if the Company’s stock price reached the value that would trigger the minimum number of shares to be issued under the original collar structure, the Early Payees would be paid at that time rather than at the end of the original one-year collar period (the “Early Release Collar”). This accelerated payment could occur only (1) after the six-month anniversary and before the one-year anniversary of the Closing Date, and (2) if the spot price of the Company’s stock equals or exceeds the volume-weighted average price used to measure achievement of the target value. If these conditions were not met, payment would occur as originally provided in the CIRE Merger Agreement. In August 2025, the Early Release Collar was triggered and the Company delivered 28.4 million shares (the “Accelerated Share Consideration”) to the Early Payees. Certain sellers representing approximately 26% of the Share Consideration (the “Non-Accelerated Sellers”) chose to be excluded from the Early Release Collar and their portion of the Share Consideration was finalized on the 366th day following the closing of the CIRE Merger in January 2026. In January 2026, the Share Consideration was finalized and the Company will deliver a total of 10.5 million shares in three equal installments in January 2026, 2027, and 2028 to the Non-Accelerated Sellers.

The total consideration transferred included \$153.0 million in cash paid. The total consideration transferred also included the fair value of the Share Consideration, estimated at \$250.1 million as of the acquisition date. The final number of shares released in connection with the Share Consideration was dependent on the Company’s share price on the 366th day following the Closing Date. The Company utilized a Monte-Carlo simulation model to estimate the fair value of the Share Consideration as of the acquisition date. Significant inputs to the model included the term of the Share Consideration adjustment period, the Company’s historical equity volatility, and the target share price. Because the settlement amount was based on the future trading price of the Company’s common stock, which represents an unobservable input, the fair value measurement was classified within Level 3 of the fair value hierarchy. The Company determined that the Share Consideration should be classified as equity as the monetary value of the obligation is not predominantly fixed and the variability in the settlement amount is based solely on changes in the Company’s own stock price. The May 2025 Amendment provided mutual economic benefit to the Company and participating sellers, affecting only the timing of settlement within the original arrangement’s terms. As a result, the equity classification of the Share Consideration remains unchanged, and the accounting impact was recorded entirely in Additional Paid-In Capital, with no effect on the income statement or purchase accounting.

The following table summarizes the individual elements within the calculation of total consideration transferred (in millions):

	Amount
Cash Consideration	\$ 153.0
Share Consideration	250.1
Total consideration transferred	<u>\$ 403.1</u>

The following table summarizes the preliminary allocation of the purchase price to the estimated fair values of the net assets acquired by the Company as of the acquisition date (in millions):

Compass, Inc.

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	Amount
Cash and cash equivalents	\$ 3.5
Accounts receivable	14.6
Other current assets	5.3
Property and equipment	11.9
Operating lease right-of-use assets	20.2
Other non-current assets	8.3
Goodwill	229.7
Intangible assets	164.1
Total assets	457.6
Accounts payable	(2.0)
Commissions payable	(6.3)
Accrued expenses and other current liabilities	(21.4)
Current lease liabilities	(4.9)
Non-current lease liabilities	(15.4)
Other non-current liabilities	(4.5)
Total liabilities	(54.5)
Net assets	\$ 403.1

The fair value of identified intangible assets and their respective useful lives as at the time of acquisition were as follows (in millions):

	Amount	Useful Life (in years)
Trademarks	\$ 20.3	2 - 6 years
Acquired technology	29.2	2 years
Agent network - @properties brokerage business	58.0	7 years
Agent network - Other	14.3	7 years
Franchise network	42.3	6 years
Total intangible assets	\$ 164.1	

The intangible assets above were accounted for using the acquisition method based on the Company's estimate of the fair value of assets received. The fair values of the @properties brokerage business agent network and franchise network intangible assets were determined using the multi-period excess earnings method. Determining the fair value of these intangible assets required the Company to use significant judgment, estimates, and assumptions, including the discount rates, revenue growth rates, and projected margins. The fair value of the technology intangible asset was determined using the relief from royalty method. Determining the fair value of this intangible asset required the Company to use significant judgment, estimates, and assumptions, including the royalty rate and the revenue growth rate. Intangible assets are amortized over the estimated useful lives in a pattern that most closely matches the timing of their economic benefits. The excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired was recorded as goodwill, which is primarily attributed to the monetization opportunities from the CIRE Merger's current and future offerings and the value of the assembled workforce.

The Company has recorded the preliminary purchase price allocation as of the acquisition date and finalized the purchase accounting in January 2026. There were no material adjustments during the measurement period that had a corresponding offset to goodwill. Any subsequent adjustments will be recorded to the consolidated statements of operations.

Due to the delivery of the Accelerated Share Consideration, \$145.3 million of the goodwill recorded for this acquisition is deductible for tax purposes. Once the remaining Share Consideration is issued, the amount of tax-deductible goodwill may increase to approximately \$211.0 million. These amounts are not expected to have an impact on the income tax provision while the Company maintains a full valuation allowance on its U.S. deferred tax assets.

Compass, Inc.

Notes to Consolidated Financial Statements

In connection with the CIRE Merger, the Company incurred approximately \$5.4 million in transaction-related costs, of which \$3.4 million are legal fees and \$2.0 million are professional and general consulting fees, which were expensed as incurred. \$4.3 million of these transaction-related expenses were incurred during the year ended December 31, 2024 and \$1.1 million were incurred during the year ended December 31, 2025. These expenses have been presented within the General and administrative line of the consolidated statements of operations.

Pro Forma Information

The acquired entity's results have been included in the Company's consolidated financial statements from the CIRE Merger date onward. The first column in the table below reflects the acquired entity's actual results post-acquisition, while the second and third columns present the Company's pro forma results as if the CIRE Merger had occurred on January 1, 2024 (in millions):

	Actuals	Pro Forma	
	January 13, 2025 through December 31, 2025	Year Ended December 31, 2025	Year Ended December 31, 2024
Revenue	\$ 567.1	\$ 6,969.8	\$ 6,143.3
Net income (loss)	20.8	(68.9)	(157.8)

The pro forma information depicted in the second and third columns above does not purport to represent what the actual results of operations of the Company would have been had the CIRE Merger actually occurred on January 1, 2024, nor does it purport to predict the results of operations for future periods. The unaudited pro forma results include adjustments for additional amortization of acquired finite-lived intangible assets and the related tax effects assuming the CIRE Merger occurred on January 1, 2024.

Other Acquisitions

During the year ended December 31, 2025, the Company completed the acquisitions of 100% ownership in a residential real estate brokerage and a title insurance and escrow settlement business. In addition, the Company purchased the assets of three smaller residential real estate brokerages and a separate title insurance and escrow settlement business. The purpose of these acquisitions was to expand the Company's brokerage and title and escrow footprint in key domestic markets. The Company has accounted for these acquisitions as business combinations.

The consideration for the acquisitions completed during the year ended December 31, 2025 is comprised of \$29.5 million of cash paid at or near closing, net of cash acquired, \$10.5 million in the Company's Class A common stock, and additional amounts contingent on achieving earnings-based targets through 2027. The future consideration amounts were recorded within Accrued expenses and other current liabilities and Other non-current liabilities in the consolidated balance sheet. The fair value of the assets acquired and the liabilities assumed primarily resulted in the recognition of \$16.4 million of goodwill and \$24.8 million of customer relationships, which is being amortized over the estimated useful life of approximately 4 years to 6 years.

The Company has recorded preliminary purchase price allocations as of each acquisition date and expects to finalize them within each acquisition's applicable one-year measurement period. Adjustments during the measurement periods will be offset against goodwill. After the applicable measurement periods end, any further adjustments will be reflected in the consolidated statements of operations.

Approximately \$5.1 million of the goodwill recorded during the year ended December 31, 2025 is deductible for tax purposes. The amount of tax-deductible goodwill may increase in the future to approximately \$20.1 million dependent on the payment of certain contingent consideration arrangements. These amounts are not expected to have an impact on the income tax provision while the Company maintains a full valuation allowance on its U.S. deferred tax assets.

Pro forma revenue and earnings for these acquisitions has not been presented because they are not material to the Company's consolidated revenue and results of operations.

Compass, Inc.**Notes to Consolidated Financial Statements*****2024 Acquisitions***

During the year ended December 31, 2024, the Company completed the acquisition of 100% of the ownership interests in Latter & Blum Holdings, LLC and Parks Village Nashville, LLC, two residential real estate brokerages, and the acquisition of 100% ownership interest in a title insurance and escrow settlement services company. The purpose of these acquisitions was to expand the Company's existing brokerage business and title and escrow presence in key domestic markets. The Company has accounted for these acquisitions as business combinations.

The consideration for the acquisitions completed during the year ended December 31, 2024 is comprised of \$26.1 million in the Company's Class A common stock, \$21.3 million of cash paid at or near closing, net of cash acquired, an additional \$2.7 million paid in cash and the Company's Class A common stock at a later date and an estimated \$7.1 million of additional Class A common stock or cash that may be paid contingent on certain earnings-based targets being met at various payment dates through 2027. Payments in excess of the original estimate may impact the Company's statement of operations in future periods. The future consideration amounts were recorded within Accrued expenses and other current liabilities and Other non-current liabilities in the consolidated balance sheet.

The fair value of the assets acquired and the liabilities assumed primarily resulted in the recognition of: \$28.7 million of customer relationships; \$2.4 million of trademark intangible assets; \$20.0 million of other current and non-current assets; and \$18.3 million of current and non-current liabilities. The excess of the aggregate purchase price over the aggregate fair value of the acquired net assets was recorded as goodwill of \$23.9 million. Goodwill represents the expected synergies from combining the acquired assets and the operations of the acquirer as well as the intangible assets that do not qualify for separate recognition. The acquired intangible assets are being amortized over the estimated useful lives of approximately 5 to 6 years.

Approximately \$10.1 million of the goodwill recorded during the year ended December 31, 2024 is deductible for tax purposes. The amount of tax-deductible goodwill may increase in the future to approximately \$16.9 million dependent on the payment of certain contingent consideration arrangements. These amounts are not expected to have an impact on the income tax provision while the Company maintains a full valuation allowance on its U.S. deferred tax assets.

Pro forma revenue and earnings for 2024 acquisitions have not been presented because they are not material to the Company's consolidated revenue and results of operations, either individually or in the aggregate.

2023 Acquisitions

During the year ended December 31, 2023, the Company completed the acquisition of 100% of the ownership interests in two residential real estate brokerages and acquired the assets of a smaller residential real estate brokerage. The purpose of these acquisitions was to expand the Company's existing brokerage business in key domestic markets. The Company has accounted for these transactions as business combinations.

The consideration for the acquisitions completed during the year ended December 31, 2023 is primarily comprised of \$6.8 million in the Company's Class A common stock, \$1.1 million of cash paid at closing, an additional \$1.0 million paid at a later date and an estimated \$14.0 million of additional Class A common stock and cash that may be paid contingent on certain earnings-based targets being met at various payment dates through 2033. Payments in excess of the original estimate may impact the Company's statement of operations in future periods. The future consideration amounts were recorded as Accrued expenses and other current liabilities and Other non-current liabilities in the consolidated balance sheet.

The fair value of the assets acquired and the liabilities assumed, inclusive of any measurement period adjustments, primarily resulted in the recognition of: \$10.8 million of customer relationships; \$4.7 million of other current and non-current assets; and \$5.5 million of other current and non-current liabilities. The excess of the aggregate purchase price over the aggregate fair value of the acquired net assets was recorded as goodwill of \$10.8 million. The acquired customer relationships are being amortized over the estimated useful lives of approximately 5 years.

Approximately \$0.7 million of the goodwill recorded during the year ended December 31, 2023 is deductible for tax purposes. The amount of tax-deductible goodwill may increase in the future to approximately \$20.7 million dependent on the payment of certain contingent consideration, holdback and acquisition-related compensation arrangements. These

Compass, Inc.

Notes to Consolidated Financial Statements

amounts are not expected to have an impact on the income tax provision while the Company maintains a full valuation allowance on its U.S. deferred tax assets.

Pro forma revenue and earnings for 2023 acquisitions have not been presented because they are not material to the Company's consolidated revenue and results of operations, either individually or in the aggregate.

Contingent Consideration

Contingent consideration represents obligations of the Company to transfer cash and common stock to the sellers of certain acquired businesses in the event that certain targets and milestones are met. As of December 31, 2025, the undiscounted estimated payment under these arrangements was \$46.3 million. Changes in contingent consideration measured at fair value on a recurring basis were as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Opening balance	\$ 31.0	\$ 20.9	\$ 14.0
Acquisitions and measurement period adjustments	5.5	7.1	14.0
Changes in fair value included in net loss	(0.2)	6.0	2.6
Payments	(4.9)	(3.0)	(9.7)
Closing balance	<u>\$ 31.4</u>	<u>\$ 31.0</u>	<u>\$ 20.9</u>

Other Acquisition-Related Arrangements

In connection with the Company's acquisitions, certain amounts paid or to be paid to selling shareholders are subject to clawback and forfeiture dependent on certain employees and agents providing continued service to the Company. These retention-based payments are accounted for as compensation for future services and the Company recognizes the expenses over the service periods. For the years ended December 31, 2025, 2024 and 2023, the Company recognized \$1.6 million, \$0.2 million and \$0.6 million, respectively, in compensation expense within Operations and support in the accompanying consolidated statements of operations related to these arrangements.

4. Equity Method Investments

The Company and Guaranteed Rate, Inc. ("Guaranteed Rate") maintain a joint venture, OriginPoint, LLC ("OriginPoint"). OriginPoint was formed for the purpose of conducting a mortgage origination and lending business and providing related services for the Company's real estate brokerage clients, as well as the clients of any other brokerage in the context of a new purchase or other customers not working with a brokerage in the context of a refinancing, in order to make loans available to a broad consumer audience. OriginPoint originates, processes, underwrites, closes and/or funds mortgage loans for sale, transfer and assignment to investors and eligible wholesale lenders, including affiliates, or effects any other secondary market transactions related to such mortgage loans.

OriginPoint is owned 49.9% by the Company and 50.1% by Guaranteed Rate. The Company made capital contributions to OriginPoint of \$3.0 million and \$2.0 million, respectively, during the years ended December 31, 2025 and 2024. The Company accounts for OriginPoint as an equity method investment and records its equity earnings or losses related to OriginPoint within Equity in income (loss) of unconsolidated entities in the consolidated statements of operations.

The Company's investment in OriginPoint had a balance of \$14.4 million at December 31, 2025 and is included within Other non-current assets on the accompanying consolidated balance sheet. The Company recorded equity income of \$5.7 million during the year ended December 31, 2025, and equity loss \$0.6 million and \$3.3 million during the years ended 2024 and 2023, respectively. No dividends were received by the Company from OriginPoint during the years ended December 31, 2025 and 2024.

OriginPoint has established and maintains its own warehouse lines of credit, and it funds its own mortgage loan transactions from these independent sources. The warehouse lines maintained by OriginPoint are collateralized by the underlying mortgages available for sale and are non-recourse to Compass.

Compass, Inc.**Notes to Consolidated Financial Statements**

The Company's other equity method investments had a balance of \$2.8 million at December 31, 2025, which is included within Other non-current assets on the accompanying consolidated balance sheet. During the year ended December 31, 2025, the Company made capital contributions to other equity method investments of \$0.9 million and recognized equity income of \$1.4 million. The Company additionally received \$3.6 million of dividends from these other equity method investments during the year ended December 31, 2025.

5. Fair Value of Financial Assets and Liabilities

The Company's cash and cash equivalents of \$199.0 million and \$223.8 million as of December 31, 2025 and 2024, respectively, are held in cash and money market funds, which are classified as Level 1 within the fair value hierarchy because they are valued using quoted prices in active markets. These are the Company's only Level 1 financial instruments. The Company does not hold any Level 2 financial instruments. The Company's contingent consideration liabilities of \$31.4 million and \$31.0 million as of December 31, 2025 and 2024, respectively, are the Company's only Level 3 financial instruments.

See Note 3 — "Acquisitions" for changes in contingent consideration during the years ended December 31, 2025, 2024 and 2023. The following tables present the balances of contingent consideration as presented in the consolidated balance sheets (in millions):

	December 31,	
	2025	2024
Accrued expenses and other current liabilities	\$ 6.9	\$ 3.3
Other non-current liabilities	24.5	27.7
Total contingent consideration	<u>\$ 31.4</u>	<u>\$ 31.0</u>

There were no transfers of financial instruments between Level 1, Level 2 and Level 3 during the periods presented.

Level 3 Financial Liabilities

The Company's Level 3 financial liabilities relate to acquisition-related contingent consideration arrangements. Contingent consideration represents obligations of the Company to transfer cash or the Company's common stock to the sellers of certain acquired entities in the event that certain targets and milestones are met. The primary method the Company used to estimate the fair value of contingent consideration liabilities was a Monte-Carlo simulation, which is based on inputs such as forecasted future results of the acquired businesses, which are not observable in the market, discount rates and earnings volatility measures. The Company has not presented certain quantitative information regarding the unobservable inputs utilized to measure contingent consideration liabilities given changes in these assumptions have not and are not expected to materially impact the Company's operating results during 2025 or in future periods. Changes in the fair value of Level 3 financial liabilities are included within Operations and support expense in the consolidated statements of operations (see Note 3 — "Acquisitions").

Compass, Inc.

Notes to Consolidated Financial Statements

6. Property and Equipment, Net

Property and equipment, net consisted of the following (in millions):

	December 31,	
	2025	2024
Leasehold improvements	\$ 197.5	\$ 186.2
Office furniture and equipment	39.5	37.4
Computer software and internally-developed software	56.9	49.9
Computer equipment	16.4	26.1
	310.3	299.6
Less: accumulated depreciation	(196.5)	(174.1)
Property and equipment, net	<u>\$ 113.8</u>	<u>\$ 125.5</u>

The Company recorded depreciation expense related to property and equipment of \$40.2 million, \$47.5 million and \$57.1 million for the years ended December 31, 2025, 2024 and 2023, respectively, which includes \$8.5 million, \$11.6 million and \$12.3 million, respectively, related to internally-developed software.

The Company capitalized internally-developed software costs of \$7.4 million and \$9.7 million during the years ended December 31, 2025 and 2024, respectively.

7. Goodwill and Intangible Assets, Net

The following table summarizes the changes in the carrying amount of goodwill (in millions):

	Amount
Balance at December 31, 2023	\$ 209.8
Acquisitions	24.4
Measurement period adjustments	(0.6)
Balance at December 31, 2024	233.6
Acquisitions	246.1
Measurement period adjustments	\$ (0.5)
Balance at December 31, 2025	<u>\$ 479.2</u>

The following table summarizes the carrying amounts and accumulated amortization of intangible assets (in millions, except weighted-average remaining useful life):

	December 31, 2025				
	Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Value	Weighted Average Remaining Useful Life (Years)
Finite-lived intangible assets:					
Customer relationships	3-9 years	\$ 327.4	\$ (171.2)	\$ 156.2	4.8
Acquired technology	2-5 years	34.7	(19.3)	15.4	1.0
Trademarks	2-9 years	39.1	(17.7)	21.4	3.3
Indefinite-lived intangible assets:					
Domain name		0.3	—	0.3	n/a
Total		<u>\$ 401.5</u>	<u>\$ (208.2)</u>	<u>\$ 193.3</u>	

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Notes to Consolidated Financial Statements

December 31, 2024					
	Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Value	Weighted Average Remaining Useful Life (Years)
Finite-lived intangible assets:					
Customer relationships	3-9 years	\$ 188.8	\$ (123.5)	\$ 65.3	3.3
Acquired technology	5 years	5.5	(4.0)	1.5	1.3
Trademarks	2-9 years	14.9	(8.2)	6.7	3.9
Indefinite-lived intangible assets:					
Domain name		0.3	—	0.3	n/a
Total		<u>\$ 209.5</u>	<u>\$ (135.7)</u>	<u>\$ 73.8</u>	

Amortization expense was \$72.5 million, \$34.9 million and \$32.9 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Estimated future amortization expense for finite-lived intangible assets as of December 31, 2025 is as follows (in millions):

2026	\$ 62.6
2027	38.5
2028	33.9
2029	25.1
2030	21.2
Thereafter	11.7
Total	<u>\$ 193.0</u>

8. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in millions):

	December 31,	
	2025	2024
Accrued compensation	\$ 61.0	\$ 51.1
Accrued antitrust-related litigation charge (Note 11)	—	28.8
Other	77.0	60.4
Accrued expenses and other current liabilities	<u>\$ 138.0</u>	<u>\$ 140.3</u>

9. Debt

Concierge Credit Facility

In July 2020, the Company entered into a Revolving Credit and Security Agreement (the “Concierge Facility”) with Barclays Bank PLC, as administrative agent, and the several lenders party thereto. The Concierge Facility provides for a \$75.0 million revolving credit facility and is solely used to finance a portion of the Company’s Compass Concierge Program. The Concierge Facility is secured primarily by the Concierge Receivables and cash of the Compass Concierge Program.

Borrowings under the Concierge Facility bear interest at the term SOFR rate plus a margin of 2.50%. The two year commitment fee is 0.35% if the Concierge Facility is utilized greater than 50% and 0.50%, if the Concierge Facility is utilized less than 50%. On August 1, 2025, the revolving period under the Concierge Facility was extended to July 31,

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Notes to Consolidated Financial Statements

2027. The interest rate on the drawn down balance of the Concierge Facility was 6.57% as of December 31, 2025. Pursuant to the Concierge Facility, the principal amount, if any, is payable in full in January 2028, unless earlier terminated or extended.

The Company has the option to repay the borrowings under the Concierge Facility without premium or penalty prior to maturity. The Concierge Facility contains customary affirmative covenants, such as financial statement reporting requirements, as well as covenants that restrict the Company's ability to, among other things, incur additional indebtedness, sell certain receivables, declare dividends or make certain distributions, and undergo a merger or consolidation or certain other transactions. Additionally, in the event that the Company fails to comply with certain financial covenants that require the Company to meet certain liquidity-based measures, the commitments under the Concierge Facility will automatically be reduced to zero and the Company will be required to repay any outstanding loans under the Concierge Facility. As of December 31, 2025, the Company was in compliance with the covenants under the Concierge Facility.

The Concierge Facility includes customary events of default that include, among other things, nonpayment of principal, interest or fees, inaccuracy of representations and warranties, violation of certain covenants, bankruptcy and insolvency events, material judgments and change of control. The occurrence of an event of default could result in the acceleration of the obligations and/or the increase in the applicable interest rate under the Concierge Facility.

2021 Revolving Credit Facility

In March 2021, the Company entered into a Revolving Credit and Guaranty Agreement (the "2021 Revolving Credit Facility") with Barclays Bank PLC, as administrative agent and as collateral agent, and certain other lenders, which was subsequently amended on May 1, 2023. The 2021 Revolving Credit Facility provided for a \$350.0 million revolving credit facility, subject to the terms and conditions of the Revolving Credit Facility. The 2021 Revolving Credit Facility also included a letter of credit sublimit which is the lesser of (i) \$125.0 million and (ii) the aggregate unused amount of the revolving commitments then in effect under the 2021 Revolving Credit Facility. The Company's obligations under the 2021 Revolving Credit Facility were guaranteed by certain of the Company's subsidiaries and were secured by a first priority security interest in substantially all of the assets of the Company and the Company's subsidiary guarantors.

Borrowings under the 2021 Revolving Credit Facility bear interest, at the Company's option, at either (i) a floating rate per annum equal to the base rate plus a margin of 0.50% or (ii) a rate per annum equal to the secured overnight financing rate ("SOFR") plus a margin of 1.50%. The base rate was equal to the highest of (a) the prime rate as quoted by The Wall Street Journal, (b) the federal funds effective rate plus 0.50%, (c) the SOFR term rate for a one-month interest period plus 1.00% and (d) 1.00%. The SOFR term rate was determined as the forward-looking term rate plus a 0.10% adjustment.

The Company was also obligated to pay other customary fees for a credit facility of this type, including a commitment fee on a quarterly basis based on amounts committed but unused under the 2021 Revolving Credit Facility of 0.175% per annum, fees associated with letters of credit and administrative and arrangement fees. The principal amount, if any, was payable in full in March 2026, unless earlier terminated or extended. In November 2025, the Company terminated the 2021 Revolving Credit Facility. Prior the termination of the 2021 Revolving Credit Facility, the Company was in compliance with all related financial covenants.

2025 Revolving Credit Facility

In November 2025, the Company entered into a Revolving Credit and Guaranty Agreement (the "2025 Revolving Credit Facility") with Morgan Stanley Senior Funding, Inc., as administrative agent and as collateral agent and a syndicate of other lenders. Under the 2025 Revolving Credit Facility, the Company obtained revolving commitments from lenders in an initial amount of \$250 million. The lenders' commitments under the 2025 Revolving Credit Facility automatically increased by \$250 million to an aggregate amount of \$500 million upon the completion of the merger with Anywhere Real Estate Inc. in January 2026 (the "Anywhere Merger"). The 2025 Revolving Credit Facility also includes a letter of credit sublimit of \$100 million (which automatically increased to \$170 million to the extent the Anywhere Merger is consummated). The Company's obligations under the 2025 Revolving Credit Facility are guaranteed by certain of the Company's subsidiaries and are secured by a first priority security interest in substantially all of the assets of the Company.

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Notes to Consolidated Financial Statements

and the Company's subsidiary guarantors, subject to customary exceptions. See Note 18 — "Subsequent Events" for further information regarding the Anywhere Merger.

Borrowings under the 2025 Revolving Credit Facility bear interest at Term SOFR plus an applicable rate between 1.50% and 2.25% per annum, based on a pricing grid in which the levels are set based on the Company's Total Net Leverage Ratio (as defined in the underlying agreement). The Company is also obligated to pay other customary fees under the 2025 Revolving Credit Facility, including (i) a commitment fee to the lenders on amounts they have committed, which are unused, of between 0.175% and 0.35% per annum, based on a pricing grid in which the levels are set based on the Company's Total Net Leverage Ratio, (ii) fees associated with the issuance of letters of credit, (iii) administrative agent fees, and (iv) upfront fees.

The maturity date of the 2025 Revolving Credit Facility is November 17, 2030. In the event there is an aggregate principal amount outstanding on certain of Anywhere's second lien and unsecured notes that exceeds \$50 million on the date that is 91 days prior to the respective final stated maturity dates of such notes, the 2025 Revolving Credit Facility is subject to an earlier springing maturity on such 91st day. The Company does not expect such early maturity to occur as the Company currently intends to repay or refinance such notes.

The Company has the option to repay the Company's borrowings, and to permanently reduce the commitments in whole or in part, under the 2025 Revolving Credit Facility without premium or penalty. As of December 31, 2025, there were no borrowings outstanding under the 2025 Revolving Credit Facility and outstanding letters of credit under the 2025 Revolving Credit Facility totaled \$30.9 million.

The 2025 Revolving Credit Facility contains customary representations, warranties, affirmative covenants, and negative covenants. The negative covenants restrict the Company's and its restricted subsidiaries' ability to, among other things, incur liens and indebtedness, make certain investments, declare and pay dividends, dispose of, transfer or sell assets, make stock repurchases and consummate certain other matters, all subject to certain exceptions. The financial covenant under the 2025 Revolving Credit Facility requires that following the consummation of the Anywhere Merger, the Company maintains a Total Net Leverage Ratio level of no greater than 5.00 to 1.00, stepping down to 4.50 to 1.00 on December 31, 2027 and 4.25 to 1.00 and December 31, 2028 (with no requirement to maintain a minimum Liquidity level or a minimum Consolidated Total Revenue level). As of December 31, 2025, the Company was in compliance with the covenants under the 2025 Revolving Credit Facility.

The Company incurred debt issuance costs of \$2.2 million in connection with the 2025 Revolving Credit Facility, which are included in Other non-current assets in the consolidated balance sheet. The unamortized debt issuance costs will be amortized within Interest expense in the consolidated statements of operations over the remaining term on a straight-line basis.

10. Leases

The components of lease costs for operating leases for the years ended December 31, 2025, 2024 and 2023 was as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Operating lease costs	\$ 107.5	\$ 101.6	\$ 109.8
Short-term lease costs	3.0	3.4	3.5
Sublease income	(6.0)	(5.8)	(5.1)
Variable lease costs	38.7	36.0	37.6
Total	<u>\$ 143.2</u>	<u>\$ 135.2</u>	<u>\$ 145.8</u>

The Company has a small population of subleases whereby it acts as a lessor and has recognized sublease income as noted in the table above. The impact of this portfolio is not material to the consolidated financial statements.

For the years ended December 31, 2025, 2024 and 2023, the Company recognized lease costs, net of sublease income, of \$139.7 million, \$131.4 million and \$138.5 million, respectively, in Sales and marketing expenses and \$3.5 million, \$3.8 million and \$7.3 million, respectively, in General and administrative expenses in the consolidated statements of operations.

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Supplemental cash flow information related to leases was as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of operating lease liabilities:			
Operating cash flows used in operating leases	\$ 128.5	\$ 127.3	\$ 126.9
Supplemental disclosure of non-cash leasing activities:			
ROU assets obtained in exchange for new operating lease liabilities	\$ 80.9	\$ 68.2	\$ 25.3

The following table represents the weighted-average remaining lease term and discount rate for the Company's operating leases:

	December 31,	
	2025	2024
Weighted average remaining lease term (years)	5.1	5.7
Weighted average discount rate	6.1 %	5.7 %

Future undiscounted lease payments for the Company's operating lease liabilities are as follows as of December 31, 2025 (in millions):

2026	\$ 124.0
2027	111.0
2028	96.4
2029	78.3
2030	52.5
Thereafter	71.1
Total future lease payments	533.3
Less: imputed interest	(79.8)
Present value of lease liabilities	<u>\$ 453.5</u>

As of December 31, 2025, the Company had additional operating leases that have not yet commenced with future undiscounted lease payments of approximately \$25.8 million payable through 2038, which have been excluded from above.

11. Commitments and Contingencies

Legal Proceedings

From time to time, the Company may be involved in disputes or regulatory inquiries that arise in the ordinary course of business. When the Company determines that a loss is both probable and reasonably estimable, a liability is recorded and disclosed if the amount is material to the Company's business taken as a whole. When a material loss contingency is only reasonably possible, the Company does not record a liability, but instead discloses the nature and the amount of the claim and an estimate of the loss or range of loss, if such an estimate can reasonably be made. Legal costs related to the defense of loss contingencies are expensed as incurred.

Claims or regulatory actions against the Company, whether meritorious or not, could have an adverse impact on the Company due to legal costs, diversion of management resources and other elements. Except as identified with respect to the matters below, the Company does not believe that the outcome of any individual existing legal or regulatory proceeding to which it is a party will have a material adverse effect on its results of operations, financial condition or overall business in each case, taken as a whole.

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Real Estate Commission Sell-Side Antitrust Litigation

The Company and its subsidiaries have been named as defendants in lawsuits that allege, among other things, violations of Section 1 of the Sherman Act, 15 U.S.C. § 1 (the “Antitrust Lawsuits”).

Four of the putative class action lawsuits, captioned Gibson, et al. v. National Association of Realtors, et al., No. 4:23-cv-00788-FJG (W.D. Mo.) (“Gibson”), filed on October 31, 2023, Grace v. National Association of Realtors, et al., No. 3:23-cv-06352 (N.D. Cal.) (“Grace”), filed on December 8, 2023, Fierro, et al. v. National Association of Realtors, et al., Case No. 2:24-cv-00449 (C.D. Cal.) (“Fierro”), filed on January 17, 2024, and Whaley v. Arizona Association of Realtors, Case No. 2:24-cv-00105 (D. Nev.) (“Whaley”), filed on January 15, 2024, name the Company as a defendant and allege, among other things, that certain trade associations, including the National Association of Realtors, multiple listing services, and real estate brokerages engaged in a continuing contract, combination, or conspiracy to unreasonably restrain interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 by entering into a continuing agreement to require sellers of residential property to make inflated payments to brokers representing buyers. Umpa, et al. v. National Association of Realtors, et al., 4:23-cv-00945 (W.D. Mo.) (“Umpa”), filed on December 27, 2023, was consolidated into the Gibson matter on April 23, 2024. Boykin v. National Association of Realtors, et al., No. 2:24-cv-00340 (D. Nev.) (“Boykin”), filed on February 16, 2024, was terminated and consolidated into the Whaley matter on March 20, 2024. The plaintiffs in the Gibson and Umpa matters allege a nationwide scope, while the Grace and Fierro matters are limited in scope to Northern California and Southern California, respectively and the Whaley matter is limited in scope to Nevada.

Two putative class action lawsuits, March v. Real Estate Board of New York, et al., No. 1:23-cv-09995 (S.D.N.Y.) (“March”), filed on November 13, 2023, and Friedman v. Real Estate Board of New York, et al., Case No. 1:23-cv-09601 (S.D.N.Y.) (“Friedman”), filed on January 18, 2024, name the Company as a defendant and allege, among other things, that the Real Estate Board of New York, and a number of real estate brokerages engaged in a continuing contract, combination, or conspiracy to unreasonably restrain interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 by entering into a continuing agreement to require sellers of residential property to make inflated payments to brokers representing buyers. The Friedman and March matters also allege violations of the Donnelly Act, N.Y. Gen. Bus. § 340, and the March matter further seeks injunctive relief pursuant to Section 16 of the Clayton Act, 15 U.S.C. § 26. The Friedman and March matters are limited in scope to the New York City boroughs of Brooklyn, and Manhattan, respectively.

One putative class action lawsuit, QJ Team, LLC, et al. v. Texas Association of Realtors, Inc., et al., No. 4:23-cv-01013 (E.D. Tx.) (“QJ Team”), filed on November 13, 2023, names Realty Austin, LLC, a subsidiary of the Company, as a defendant and alleges, among other things, that certain trade associations, including the Texas Association of Realtors, and a number of real estate brokerages engaged in a continuing contract, combination, or conspiracy to unreasonably restrain interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 by entering into a continuing agreement to require sellers of residential property to make inflated payments to brokers representing buyers. Martin, et al. v. Texas Association of Realtors, Inc., et al., No. 423-cv-01104 (E.D. Tx.) (“Martin”), filed on December 14, 2023, was consolidated into the QJ Team matter on March 21, 2024.

One putative class action lawsuit, Peiffer v. Latter & Blum Holding, LLC, et al., Case No. 2:24-cv-00557 (E.D. La.) (“Peiffer”), filed on March 5, 2024, names Latter & Blum, a subsidiary of the Company, as a defendant and alleges, among other things, that certain trade associations, including the National Association of Realtors, multiple listing services, and a number of real estate brokerages engaged in a continuing contract, combination, or conspiracy to unreasonably restrain interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 by entering into a continuing agreement to require sellers of residential property to make inflated payments to brokers representing buyers. On April 3, 2024, the Company announced that it had entered into an agreement to acquire Latter & Blum.

On March 21, 2024, the Company entered into a settlement agreement to resolve the Gibson and Umpa cases on a nationwide basis. The settlement resolves all claims in these cases and similar claims in other lawsuits alleging claims on behalf of sellers on a nationwide basis against the Company and its subsidiaries (collectively, the “Claims”) and releases the Company, its subsidiaries and affiliated agents from the Claims. Under the settlement agreement, the Company agreed to pay \$57.5 million and make certain changes to its business practices. The Company’s motion for final approval of the settlement agreement was granted on October 31, 2024 and the settlement agreement is now effective. The final approval ruling was appealed by certain class members that objected to the settlement, including but not limited to plaintiffs in the March and Friedman matters, referenced above, which are now pending before the United States Circuit Court of Appeals

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for the Eighth Circuit. The objecting parties filed their briefs on April 21, 2025. Responses, including those by the Company, were filed on July 28, 2025. The objecting parties may file any replies thereafter. The Gibson, Grace, Fierro, Whaley, Umpa, March, Friedman, QJ, and Peiffer cases are stayed pending the appeal of the final approval of the settlement agreement.

The Company does not expect the terms of the proposed settlement of the Gibson and Umpa cases or the process of moving to enforce the settlement nationwide to have a material impact on its future operations.

During the three months ended March 31, 2024, the Company recognized an expense of \$57.5 million within General and administrative expense in the consolidated statements of operations in connection with the settlement agreement. 50% of the settlement was paid during the three months ended June 30, 2024 and the remaining 50% was paid during the three months ended June 30, 2025.

Batton, et al. v. Compass, Inc., et al.

Batton, et al. v. Compass, Inc., et al., No. 1:23-cv-15618 (N.D. Ill.) (“Batton II”), filed on November 2, 2023, names the Company and seven other brokerages as defendants and alleges that the defendants entered into a continuing contract, combination, or conspiracy to unreasonably restrain interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 and state law antitrust statutes, violated state consumer protection statutes, and were unjustly enriched by industry rules that set the manner by which buyer’s brokers are compensated. The allegations in Batton II are substantially similar to those contained in the case captioned Batton, et al. v. National Association of Realtors, et al., No. 1:21-cv-00430 (N.D. Ill.) (“Batton I”), filed on January 25, 2021, which does not name the Company but names the National Association of Realtors and six other brokerages. The Company and the defendants in the Batton II matter filed a motion to dismiss the amended complaint on June 21, 2024. The plaintiffs filed an opposition to the motion to dismiss on August 5, 2024 and the Company and the defendants filed a reply on September 4, 2024. The motion to dismiss remains pending before the Court. The Court also granted the Company’s motion to file supplemental authority on recent favorable rulings in similar cases.

The Company is unable to predict the outcome of Batton II or to reasonably estimate the possible loss or range of loss, if any, arising from the claim asserted therein. The ultimate resolution of Batton II could have a material adverse effect on the Company’s financial position, results of operations, and cash flow.

Letter of Credit Agreements

The Company has irrevocable letters of credit with various financial institutions, primarily related to security deposits for leased facilities. As of December 31, 2025 the Company was contingently liable for \$30.9 million under irrevocable letters of credit issued under the 2025 Revolving Credit Facility. As of December 31, 2024 the Company was contingently liable for \$53.8 million under irrevocable letters of credit issued under the 2021 Revolving Credit Facility. These letters of credit are primarily related to security deposits for leased facilities

Escrow and Trust Deposits

As a service to its home buyers and sellers, the Company administers escrow and trust deposits which represent undistributed amounts for the settlement of real estate transactions. The escrow and trust deposits totaled \$294.4 million and \$147.1 million as of December 31, 2025 and 2024, respectively. These deposits are not assets of the Company and therefore are excluded from the accompanying consolidated balance sheets. However, the Company remains contingently liable for the disposition of these deposits.

12. Preferred Stock and Common Stock

Undesignated Preferred Stock

In April 2021, the Company adopted a restated certificate of incorporation which provides for authorized undesignated preferred stock to 25.0 million shares of undesignated preferred stock with a \$0.00001 par value per share. As of December 31, 2025 and 2024, there are no shares of the Company’s preferred stock issued and outstanding.

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Common Stock

In February 2021, the Company approved the establishment of Class C common stock and an agreement with the Company’s CEO to exchange his Class A common stock for Class C common stock. Any Class A common stock issued to the Company’s CEO from RSU awards granted prior to February 2021 are able to be exchanged for Class C common stock. Each share of Class C common stock is entitled to twenty votes per share and will be convertible at any time into one share of Class A common stock and will automatically convert into Class A common stock under certain “sunset” provisions. Other than certain permitted transfers for estate planning purposes, upon a transfer of Class C common stock, the Class C common stock will convert into Class A common stock.

In April 2021, the Company adopted a restated certificate of incorporation and changed its authorized capital stock to consist of 12.5 billion shares of Class A common stock, 1.25 billion shares of Class B common stock and 100 million shares of Class C common stock. Each class has par value of \$0.00001.

The followings tables reflect the authorized, issued and outstanding shares for each of the common share classes as of December 31, 2025 and 2024:

December 31, 2025			
	Shares Authorized	Shares Issued	Shares Outstanding
Class A common stock	12,500,000,000	553,356,990	553,356,990
Class B common stock	1,250,000,000	—	—
Class C common stock	100,000,000	10,122,433	10,122,433
Total	<u>13,850,000,000</u>	<u>563,479,423</u>	<u>563,479,423</u>

December 31, 2024			
	Shares Authorized	Shares Issued	Shares Outstanding
Class A common stock	12,500,000,000	501,384,321	501,384,321
Class B common stock	1,250,000,000	—	—
Class C common stock	100,000,000	11,758,787	11,758,787
Total	<u>13,850,000,000</u>	<u>513,143,108</u>	<u>513,143,108</u>

The rights of common stock are as follows:

Voting

Holders of Class A common stock are entitled to one vote per share. Holders of Class B common stock are not entitled to vote. Holders of Class C common stock are entitled to twenty votes per share.

Dividends

When and if declared by the Company’s board of directors, holders of Class A and Class B common stock are entitled in proportion to the number of shares of common stock that would be held by each such holder if all shares of convertible preferred stock were converted to common stock. No dividends have been declared since inception.

Liquidation

The liquidation rights of the holders of Class A and Class B common stock are subject to and qualified by the rights and preferences of the holders of convertible preferred stock.

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Conversion

Each share of Class A common stock may be converted to one share of Class B common stock at the option of the holder. Each share of Class B common stock may be converted to one share of Class A common stock only upon the following events:

- the Company's sale of its common stock pursuant to an effective registration statement;
- any transfer of such share to a holder of convertible preferred stock; and
- the approval of such conversion by the board of directors; such conversion shall be deemed to have been made immediately prior to the closing date of the public offering.

Each share of Class C common stock is convertible at any time of the option of the holder into one share of Class A common stock. Each share of Class C common stock will automatically convert into a share of Class A common stock upon sale or transfer, except for certain permitted transfers.

Strategic Transaction

In August 2023, the Company entered into a definitive asset purchase agreement with a Canadian real estate proptech company (the "Strategic Transaction") under which the Company received \$32.3 million of cash in exchange for 9.0 million shares of Class A common stock and committed to make an additional contingent payment in the form of Class A common stock or cash, as determined by the Company. The contingent payment was dependent on a volume-weighted stock price target for the Company's Class A common stock and was payable up to a maximum of \$5.5 million in May 2025 (unless the volume-weighted stock price target is triggered). During the year ended December 31, 2024, the volume-weighted price target was met and the Company was released of its liability to make any additional payment in connection with this arrangement.

13. Stock-Based Compensation

2012 Stock Incentive Plan

In October 2012, the Company adopted the 2012 Stock Incentive Plan (the "2012 Plan"). Under the 2012 Plan, employees and non-employees could be granted stock options, RSUs and other stock-based awards. Generally, these awards were based on stock agreements with a maximum ten-year term for stock options and a maximum seven-year term for RSUs, subject to board approval.

2021 Equity Incentive Plan

In February 2021, the Company's board of directors and stockholders adopted and approved the 2021 Equity Incentive Plan (the "2021 Plan"), with an initial pool of 29.7 million shares of common stock available for granting stock-based awards plus any reserved shares of common stock not issued or subject to outstanding awards granted under the 2012 Plan. In addition, on January 1st of each year beginning in 2022 and continuing through 2031, the aggregate number of shares of common stock authorized for issuance under the 2021 Plan shall be increased automatically by the number of shares equal to 5% of the total number of outstanding shares of common stock on the immediately preceding December 31st, although the Company's board of directors or one of its committees may reduce the amount of such increase in any particular year. The 2021 Plan became effective on March 30, 2021 and as of that date, the Company ceased granting new awards under the 2012 Plan and all remaining shares available under the 2012 Plan were transferred to the 2021 Plan. As of December 31, 2025, there were 51.2 million shares available for future grants under the 2021 Plan, inclusive of those shares transferred from the 2012 Plan. Effective January 1, 2026, the number of shares available for future grants was increased by an additional 28.2 million shares as a result of the annual increase provision described above.

In connection with the Anywhere Merger, the Realogy Holdings Corp. Amended and Restated 2012 Long-Term Incentive Plan (the "Former Anywhere Plan"), the Anywhere Real Estate Inc. Third Amended and Restated 2018 Long-Term Incentive Plan (the "Anywhere Plan") and the Realogy Holdings Corp. Non-Plan Inducement Stock Option Agreement (the "Inducement Stock Option Agreement"), as well as certain equity awards that were granted and outstanding under the Former Anywhere Plan, the Anywhere Plan and Inducement Stock Option Agreement were assumed by the Company (such awards, the "Assumed Awards") and converted into equity awards in respect of 14.2 million shares of the

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Company's Class A common stock, par value \$0.00001 per share. In addition, 9.8 million shares remaining available for future issuance under the Anywhere Plan were assumed by the Registrant and added to the number of shares of Common Stock available for issuance under the Compass, Inc. 2021 Equity Incentive Plan, which was amended on January 9, 2026 (as amended, the "Registrant Stock Plan," and such shares, the "Added Shares"). See Note 18 — "Subsequent Events" for further information regarding the Anywhere Merger.

2021 Employee Stock Purchase Plan

In February 2021, the Company's board of directors and stockholders adopted and approved the 2021 Employee Stock Purchase Plan (the "ESPP"), with an initial pool of 7.4 million shares of Class A common stock available for authorized purchase rights to the Company's employees or to employees of its designated affiliates. In addition, on January 1st of each year beginning in 2022 and continuing through 2031, the aggregate number of shares of common stock authorized for issuance under the ESPP shall be increased automatically by the number of shares equal to 1% of the total number of outstanding shares of common stock and outstanding shares of preferred stock (on an as converted to common stock basis) on the immediately preceding December 31st, although the Company's board of directors or one of its committees may reduce the amount of the increase in any particular year. No more than 150.0 million shares of common stock may be issued over the term of the ESPP, subject to certain exceptions set forth in the ESPP. As of December 31, 2025, 17.5 million shares of Class A common stock remain available for grant under the ESPP. Effective January 1, 2026, the authorized shares increased by 5.5 million shares as a result of the annual increase provision described above.

The ESPP permits employees to purchase shares of the Company's Class A common stock through payroll deductions accumulated during six-month offering periods up to a maximum value of \$12,500 per offering period. The offering periods begin each February and August, or such other period determined by the Compensation Committee. On each purchase date, eligible employees may purchase the shares at a price per share equal to 85% of the lesser of (1) the fair market value of the Company's Class A common stock on the first trading day of the offering period, or (2) the fair market value of the Company's Class A common stock on the purchase date, as defined in the ESPP. During the year ended December 31, 2025, the Company issued 0.6 million shares of Class A common stock under the ESPP.

The Company recognized \$1.2 million and \$1.0 million of stock-based compensation expense related to the ESPP during the years ended December 31, 2025 and December 31, 2024, respectively. As of December 31, 2025 and 2024, \$1.5 million and \$1.1 million, respectively, had been withheld on behalf of employees for a future purchase under the ESPP.

Stock Options

Stock options vest over a prescribed service period generally lasting four years. Upon the exercise of any stock options, the Company issues shares to the award holder from the pool of authorized but unissued common stock.

The fair value of each stock option award is estimated on the grant date using the Black-Scholes option pricing model. There were no options granted for the year ended December 31, 2025. For the years ended December 31, 2024 and 2023 stock options granted were not material to the Company's financial statements.

A summary of stock option activity under the 2012 Plan and the 2021 Plan, including 1.1 million stock options that were granted outside of the 2012 Plan in 2019, is presented below (in millions, except share and per share amounts):

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contract Term (in years)	Aggregate Intrinsic Value ⁽¹⁾
Balance as of December 31, 2024	33,683,424	\$ 6.02	4.4	\$ 30.2
Exercised	(4,388,068)	3.96		
Forfeited	(736,007)	7.28		
Balance as of December 31, 2025	28,559,349	\$ 6.31	3.6	\$ 129.7
Exercisable and vested at December 31, 2025	27,996,364	\$ 6.23	3.6	\$ 128.1

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- (1) The aggregate intrinsic values have been calculated using the Company's closing stock prices of \$10.57 and \$5.85 as of December 31, 2025 and December 31, 2024, respectively.

During the years ended December 31, 2025, 2024 and 2023, the intrinsic value of options exercised was \$21.7 million, \$13.0 million and \$6.2 million, respectively.

Stock-based compensation recognized during the years ended December 31, 2025, 2024 and 2023 associated with stock options was \$10.9 million, \$17.7 million and \$25.6 million, respectively. As of December 31, 2025, unrecognized compensation costs totaled \$1.9 million and are expected to be recognized over a weighted-average period of 0.9 years.

Restricted Stock Units

A summary of RSU activity under the 2012 Plan and the 2021 Plan is presented below:

	Number of Shares	Weighted Average Grant Date Fair Value
Balance as of December 31, 2024	27,889,410	\$ 4.73
Granted	49,922,235	7.84
Vested and converted to common stock ⁽¹⁾	(23,322,842)	6.12
Forfeited	(5,868,294)	6.31
Balance as of December 31, 2025	48,620,509	\$ 7.06

- (1) During the year ended December 31, 2025, the Company net settled all RSUs through which it issued an aggregate of 23.3 million shares of Class A common stock and withheld an aggregate of 8.1 million shares of Class A common stock to satisfy \$61.1 million of tax withholding obligations on behalf of the Company's employees.

As of December 31, 2025, all unvested RSUs had total compensation costs of \$256.2 million not yet recognized. This expense is expected to be recognized over a weighted-average period of 3.0 years.

As previously disclosed, prior to 2022 the Company typically issued share-based compensation through grants that vested ratably over four years. Beginning in 2022, the Company adopted a new approach, issuing a series of four consecutive annual grants (each equal to 25% of the total four-year grant value) with each grant vesting over the one-year period following its grant. During the three months ended June 30, 2025, the Company issued the remaining 16.2 million RSUs committed under this methodology. These RSUs were originally expected to be granted across 2025, 2026 and 2027, with each tranche vesting over the one-year period following its respective grant date. The remaining RSUs granted during the three months ended June 30, 2025 will vest on the same schedule as initially contemplated under the original commitments. Beginning in 2025, the Company reverted to its previous method of one grant vesting ratably over a four-year period following the grant date for substantially all new equity commitments.

Agent Equity Program

In connection with the 2022 Agent Equity Program, the Company recognized a total of \$53.3 million stock-based compensation expense of which \$41.7 million was recognized during the year ended December 31, 2022 and \$11.6 million was recognized during the year ended December 31, 2023. In January 2023, the Company granted 14.1 million RSUs to independent sales agents in connection with the 2022 Agent Equity Program. Prior to the issuance of the underlying RSUs, the stock-based compensation expense associated with these awards was recorded as a liability and \$53.3 million was ultimately reclassified to Additional paid-in capital at the end of the vesting period when the underlying RSUs were granted. Following the issuance of these RSUs, the Company discontinued the Agent Equity Program.

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Stock-Based Compensation Expense

Total stock-based compensation expense included in the consolidated statement of operations is as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Commissions and other related expense	\$ 0.9	\$ —	\$ 11.6
Sales and marketing	32.6	31.5	35.0
Operations and support	37.4	16.5	16.1
Research and development	92.4	58.0	45.7
General and administrative	39.4	21.5	49.8
Total stock-based compensation expense	<u>\$ 202.7</u>	<u>\$ 127.5</u>	<u>\$ 158.2</u>

The Company has not recognized any tax benefits from stock-based compensation as a result of the full valuation allowance maintained on its deferred tax assets.

14. Income Taxes

The Company's loss before income taxes consisted of (in millions):

	Year Ended December 31,		
	2025	2024	2023
United States	\$ (63.6)	\$ (158.6)	\$ (314.1)
International	4.0	3.7	(7.6)
Total	<u>\$ (59.6)</u>	<u>\$ (154.9)</u>	<u>\$ (321.7)</u>

For the year ended December 31, 2025, the loss before income taxes of \$59.6 million includes \$7.1 million of income from the Company's equity method investments and excludes \$0.2 million in net income attributable to non-controlling interests. The businesses in which the Company has equity method investments and other non-controlling interests operate in the United States.

The components of the Company's income tax benefit (provision) consisted of (in millions):

	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ —	\$ —	\$ —
State	(0.4)	(0.3)	(0.3)
Foreign	(1.3)	(0.4)	(0.1)
Total current	<u>(1.7)</u>	<u>(0.7)</u>	<u>(0.4)</u>
Deferred:			
Federal	2.9	0.5	0.8
State	0.7	—	—
Foreign	(0.8)	0.7	—
Total deferred	<u>2.8</u>	<u>1.2</u>	<u>0.8</u>
Total benefit from income taxes	<u>\$ 1.1</u>	<u>\$ 0.5</u>	<u>\$ 0.4</u>

The Company had an income tax benefit for the years ended December 31, 2025, 2024 and 2023 resulting from a partial reduction in the valuation allowance related to the carryover tax basis in deferred tax liabilities from acquisitions. The

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benefit from income taxes is reduced by current taxes in India that are not offset with future alternative minimum tax credits, as well as UK and state income tax expense.

The Company adopted ASU 2023-09 on a prospective basis for the year ended December 31, 2025 and have included the following table as a result of this adoption, which presents income taxes paid (net of refunds received) for the year ended December 31, 2025 (in millions):

	Year Ended December 31, 2025
US federal	\$ —
US state & local:	
Texas	0.3
Foreign:	
India	1.0
United Kingdom	0.5
Total	<u>\$ 1.8</u>

The effective income tax rate differed from the statutory federal income tax rate for the year ended December 31, 2025 as follows (in millions, except percentages):

	Amount	Percent
Tax at federal statutory rate:	\$ (12.5)	21.0 %
State taxes, net of federal effect	(0.3)	0.5
Change in valuation allowance	13.4	(22.8)
Non-taxable or non-deductible items:		
Stock-based compensation	(6.8)	11.5
Non-deductible executive compensation	3.1	(5.1)
Non-deductible expenses	0.7	(1.1)
Foreign tax effects:		
India		
Statutory tax rate difference	1.2	(2.0)
United Kingdom		
Statutory tax rate difference	0.1	(0.1)
Benefit from income taxes	<u>\$ (1.1)</u>	<u>1.9 %</u>

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The effective income tax rate differed from the statutory federal income tax rate as follows for the years ended December 31, 2024 and December 31, 2023 (in millions, except percentages):

	Year Ended December 31,	
	2024	2023
Tax at federal statutory rate:	21.0 %	21.0 %
State taxes, net of federal effect	5.8	5.2
Change in valuation allowance	(26.2)	(23.7)
Stock-based compensation	(0.6)	(3.6)
Non-deductible executive compensation	(1.0)	(0.6)
Non-deductible expenses	(0.4)	(0.4)
Worthless stock deduction	0.2	3.2
Other	1.5	(1.0)
Benefit from income taxes	0.3 %	0.1 %

The components of net deferred taxes arising from temporary differences were as follows (in millions):

	December 31,	
	2025	2024
Deferred tax assets:		
Non-deductible accruals	\$ 19.8	\$ 27.8
Stock-based compensation	58.5	46.7
Lease liabilities	128.1	136.6
Net operating loss carryforward	520.8	476.8
Allowance for credit losses	9.3	10.1
Accrued compensation	12.9	16.9
Capitalized research & development costs	52.7	91.7
Intangible assets	24.3	18.5
Other	2.9	4.7
Total deferred tax assets	\$ 829.3	\$ 829.8
Deferred tax liabilities:		
Operating lease right-of-use assets	\$ (101.7)	\$ (104.9)
Property and equipment	(12.5)	(17.4)
Total deferred tax liabilities	(114.2)	(122.3)
Less: valuation allowance	(712.7)	(703.8)
Net deferred tax assets	\$ 2.4	\$ 3.7

The Company is subject to income taxes in the United States, India and the United Kingdom. Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and (b) operating losses and tax credit carryforwards.

As of December 31, 2025 and 2024, the Company's deferred tax assets were primarily the result of U.S. federal and state net operating losses, operating lease obligations, capitalized research and development costs, stock-based compensation and other compensation and expense related accruals. A full valuation allowance was maintained against its U.S. gross deferred tax asset balances as of December 31, 2025 and 2024. As of each reporting date, the Company considers new evidence, both positive and negative, that could impact the Company's view with regard to future realization of deferred tax assets. As of December 31, 2025 and 2024, the Company continued to maintain that the realization of its deferred tax

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assets has not achieved a more-likely-than-not threshold primarily due to the evidence that the Company continued to maintain three-year cumulative pre-tax book losses. As of December 31, 2025, the valuation allowance was approximately \$712.7 million, an increase of \$8.9 million from December 31, 2024, which includes the impact of acquisition activity.

As of December 31, 2025 and 2024, the Company had approximately \$1.8 billion and \$1.7 billion of gross federal net operating losses, respectively. Of those amounts, \$152.0 million will begin to expire in 2032 and \$1.7 billion have an unlimited carryforward with utilization limited to 80% of taxable income. Such amounts may be subject to an annual limitation under Section 382 of the Internal Revenue Code of 1986, as amended, as a result of various ownership change rules.

As of December 31, 2025 and 2024, the Company had approximately \$2.2 billion and \$2.0 billion of gross state net operating losses, respectively, that will begin to expire in 2026.

The Company had no material uncertain tax positions as of December 31, 2025, 2024 and 2023. The Company does not anticipate a material increase or decrease in uncertain tax positions in the next twelve months after the reporting period. It is the Company's policy to record interest and penalties related to uncertain tax positions as a component of the provision for income taxes. No material amounts of interest or penalties were recognized in the consolidated financial statements for the years ended December 31, 2025, 2024 and 2023.

The number of years with open tax audits varies depending upon the tax jurisdiction. The Company is generally no longer subject to U.S. federal examination by the Internal Revenue Service ("IRS") for years before 2015. The IRS and state taxing authorities can subject the Company to audit dating back to 2012 when the Company begins to utilize its net operating loss carryforwards.

15. Compass Concierge Receivables and Allowance for Credit Losses

In 2018, the Company launched the Compass Concierge Program for home sellers who have engaged Compass as their exclusive listing agent. The initial program was based on a services model ("Concierge Classic") provided by Compass Concierge, LLC ("Compass Concierge"), which included items such as consultation on suggested cosmetic updates or modifications to a specific property or guidance on securing licensed contractors or vendors to perform non-structural property improvements. The Concierge Classic program provided for the payment of the up-front costs of specified home improvement services provided by unrelated vendors. During 2022, the Company substantially ceased providing new payments under the Concierge Classic program.

In 2019, the Compass Concierge Program was expanded to include a loan program underwritten by an independent third-party lender (the "Lender") through a commercial arrangement with Compass Concierge ("Concierge Capital"). Under the Concierge Capital program, the Lender originates and services unsecured consumer loans to home sellers following its independent underwriting process pursuant to program-level criteria provided by the Company. The Company has no right or obligation with respect to any individual consumer loan originated by the Lender. Under the agreement, the Company has repayment rights against the Lender in connection with a corporate loan.

Payment to the Company for these services under the Concierge Classic program or repayment of the loan funds under the Concierge Capital program is due upon the earlier of a successful home sale, the termination of the listing agreement or one year from the date in which costs were originally funded. Compass Concierge receivables ("Concierge Receivables") are stated at the amount advanced to the home sellers, net of an estimated ACL in the accompanying consolidated balance sheets. The Company incurs service fees payable to the Lender and incurs bad debt expense in connection with the Compass Concierge Program.

The Company manages its credit risk by establishing a comprehensive credit policy for the approval of new loans while monitoring and reviewing the performance of its existing Concierge Receivables. Factors considered include but are not limited to:

- No negative liens or judgments on the property;
- Seller's available equity on the property;
- Loan to listing price ratio;

Compass, Inc.

Notes to Consolidated Financial Statements

- FICO score (only for Concierge Capital program); and
- Macroeconomic conditions.

Credit Quality

The Company monitors credit quality by evaluating various attributes and utilizes such information in its evaluation of the appropriateness of the ACL. Based on the Company's experience, the key credit quality indicator is whether the underlying properties associated with the Concierge Receivables will be sold or not. Concierge Receivables associated with properties that are eventually sold have a lower credit risk than those that are associated with properties that are not sold. As of December 31, 2025 and 2024, the amount of outstanding Concierge Receivables related to unsold properties was approximately 96% and 97%, respectively. For Concierge Receivables where repayments have not been triggered (i.e., earlier of (i) sale of the property, (ii) termination of a listing agreement or (iii) 12 months from the date costs were originally funded), the Company establishes an estimate as to the percentage of underlying properties that will be sold based on historical data. This estimate is updated as of the end of each reporting period.

Allowance for Credit Losses

The Company maintains an ACL for the expected credit losses over the contractual life of the Concierge Receivables. The amount of ACL is based on ongoing, quarterly assessments by management. Historical loss experience is generally the starting point when the Company estimates the expected credit losses. The Company then considers whether (i) current conditions and economic conditions, (ii) future economic conditions and (iii) any potential changes in the Compass Concierge Program that are reasonable and supportable would impact its ACL. The following table summarizes the activity of the ACL for Concierge Receivables as of December 31, 2025 and 2024 (in millions):

	December 31,	
	2025	2024
Opening balance	\$ 10.4	\$ 13.2
Allowances	0.4	0.4
Net write-offs and other	(1.1)	(3.2)
Closing balance	<u>\$ 9.7</u>	<u>\$ 10.4</u>

Aging Status

The Company generally considers Concierge Receivables to be past due after being outstanding for over 30 days after the initial billing. Changes in the Company's estimate to the ACL are recorded through bad debt expense as Sales and marketing expense in the consolidated statements of operations and individual accounts are charged against the allowance when all reasonable collection efforts are exhausted. The following table presents the aging analysis of Concierge Receivables as of December 31, 2025 and 2024 (in millions):

	December 31,	
	2025	2024
Current	\$ 29.4	\$ 30.2
31-90 days	0.8	1.1
Over 90 days	4.5	3.5
Total	<u>\$ 34.7</u>	<u>\$ 34.8</u>

16. Net Loss Per Share Attributable to Compass, Inc.

The Company computes net loss per share under the two-class method required for multiple classes of common stock and participating securities. The rights, including the liquidation and dividend rights, of the Class A common stock, Class B common stock and Class C common stock are substantially identical, other than voting rights. Accordingly, the net loss per share attributable to Compass, Inc. will be the same for Class A common stock, Class B common stock and Class C common stock on an individual or combined basis.

Compass, Inc.

Notes to Consolidated Financial Statements

The following table sets forth the computation of basic and diluted net loss per share attributable to Compass, Inc. (in millions, except share and per share amounts):

	Year Ended December 31,		
	2025	2024	2023
Numerator:			
Net loss attributable to Compass, Inc.	\$ (58.5)	\$ (154.4)	\$ (321.3)
Denominator:			
Weighted-average shares used in computing net loss per share attributable to Compass, Inc., basic and diluted ⁽¹⁾	562,153,375	501,514,681	466,522,935
Net loss per share attributable to Compass, Inc., basic and diluted	\$ (0.10)	\$ (0.31)	\$ (0.69)

- (1) For the year ended December 31, 2025, the weighted-average shares used in computing net loss per share attributable to Compass, Inc., basic and diluted, includes 38.5 million shares related to the Share Consideration. These shares represent the minimum number of shares to be issued in connection with the CIRE Merger and were included in the calculation beginning on January 13, 2025, the acquisition date. Of the total, 28.4 million shares were issued during the year ended December 31, 2025, and 10.1 million shares represents the minimum number of shares issuable to the Non-Accelerated Sellers. In January 2026, the number of shares issuable to the Non-Accelerated Sellers was finalized and determined to be 10.5 million shares. See Note 3 – “Acquisitions” for more information regarding the CIRE Merger.

The following participating securities were excluded from the computation of diluted net loss per share attributable to Compass, Inc. for the periods presented because including them would have been anti-dilutive (on an as-converted basis):

	Year Ended December 31,		
	2025	2024	2023
Outstanding stock options	28,559,349	33,683,424	40,527,848
Outstanding RSUs	48,620,509	27,889,410	29,943,818
Shares subject to the Employee Stock Purchase Plan	241,618	327,107	589,729
Unvested early exercised options	—	—	11,230
Unvested common stock	7,243	94,165	—
Contingent common stock to be issued in connection with the Strategic Transaction	—	—	1,664,551
Incremental common stock to be issued in connection with the Share Consideration ⁽¹⁾	241,972	—	—
Total	77,670,691	61,994,106	72,737,176

- (1) Represents the incremental number of shares that would have been issuable to the Non-Accelerated Sellers in connection with the Share Consideration if the share count had been determined as of December 31, 2025. This amount is incremental to the 10.1 million minimum shares already included in the weighted-average shares used to compute net loss per share attributable to Compass, Inc., basic and diluted.

17. Restructuring Activities

Beginning in 2022, the Company enacted certain workforce reductions, terminated certain of its operating leases and took actions to reduce its occupancy costs, the most significant being the scaling down of its New York administrative office. The workforce reductions were part of a broader plan by the Company to take meaningful actions to improve the alignment between the Company’s organizational structure and its long-term business strategy, drive cost efficiencies enabled by the Company’s technology and other competitive advantages and continue to drive toward profitability and continued positive free cash flow.

As a result of restructuring actions taken during the years ended December 31, 2025, 2024 and 2023, the Company incurred restructuring costs of \$17.1 million, \$9.7 million and \$30.4 million, respectively, resulting from severance and

Compass, Inc.

Notes to Consolidated Financial Statements

other termination benefits for employees whose roles were eliminated, lease termination costs as a result of the accelerated amortization of various right-of-use assets and other restructuring costs. These costs have been presented within the Restructuring costs line in the consolidated statements of operations. The Company incurred additional non-cash charges of approximately \$0.8 million, \$2.0 million and \$5.3 million during the years ended December 31, 2025, 2024 and 2023, respectively, associated with the write-down of fixed assets for certain real estate leases that have been exited, or partially exited.

The following table summarizes the total costs incurred in connection with the Company's restructuring activities taken during the years ended December 31, 2025, 2024 and 2023 (in millions):

	Year Ended December 31,		
	2025	2024	2023
Severance related personnel costs	\$ 5.7	\$ —	\$ 8.9
Lease termination costs	11.4	9.7	21.5
Accelerated depreciation	0.8	2.0	5.3
Total expense	<u>\$ 17.9</u>	<u>\$ 11.7</u>	<u>\$ 35.7</u>

The total costs incurred in connection with the Company's restructuring activities during the years ended December 31, 2025, 2024 and 2023 were included in the consolidated statements of operations as follows (in millions):

	Year Ended December 31,		
	2025	2024	2023
Restructuring costs	\$ 17.1	\$ 9.7	\$ 30.4
Depreciation and amortization	0.8	2.0	5.3
Total expense	<u>\$ 17.9</u>	<u>\$ 11.7</u>	<u>\$ 35.7</u>

The following table summarizes the estimated timing of the Company's future lease and lease-related payments, net of amounts contractually subleased, related to restructuring activities for lease termination costs as of December 31, 2025 (in millions):

	Payment Due by Period
2026	\$ 9.1
2027	6.8
2028	5.4
Thereafter	6.0
Total	<u>\$ 27.3</u>

18. Subsequent Events

Completion of the Anywhere Merger

On January 9, 2026, the Company completed the merger contemplated by the Agreement and Plan of Merger (the "Anywhere Merger Agreement") with Anywhere Real Estate Inc., a Delaware corporation ("Anywhere"), and Velocity Merger Sub, Inc., a Delaware corporation and the Company's wholly owned subsidiary ("Merger Sub"). Pursuant to the Anywhere Merger Agreement and subject to its terms and conditions, Merger Sub merged with and into Anywhere (the "Anywhere Merger"), with Anywhere surviving as a wholly owned subsidiary of the Company. In connection with the Anywhere Merger, the Company acquired all outstanding shares of Anywhere common stock in a stock-for-stock transaction. Holders of Anywhere common stock received 1.436 shares of Compass Class A common stock for each share of Anywhere common stock, and the Company issued approximately 162.1 million shares of its Class A common stock.

The Anywhere Merger will be considered a business combination and accounted for using the acquisition method. Due to the close proximity of the Anywhere Merger close date and the Company's filing of this Annual Report on Form 10-K for

Compass, Inc.**Notes to Consolidated Financial Statements**

the year ended December 31, 2025, the initial accounting for the business combination is incomplete, and therefore the Company is unable to disclose the information required by ASC 805, Business Combinations. The Company will include relevant disclosures as required in the first quarter of 2026.

During the year ended December 31, 2025, the Company incurred \$18.1 million of transaction and integration expenses in connection with the Anywhere Merger. These expenses consist of transaction costs, including legal and investment banking fees, incurred in connection with the Company's entry into the Anywhere Merger Agreement, as well as costs related to preliminary integration activities. Such expenses are presented within the Anywhere merger transaction and integration expenses line item in the consolidated statements of operations. Of these amounts, \$6.3 million was paid during the year ended December 31, 2025.

In connection with the ongoing integration of Anywhere and in support of the Company's efforts to streamline the combined company's organizational structure, the Company is implementing an ongoing reduction in force under a plan of termination and estimates to record pre-tax charges in the range of approximately \$50 million to \$55 million during the first quarter of 2026 for severance and other termination benefits. The Company expects these charges to be included in the Anywhere merger transaction and integration expenses line of its statement of operations.

The charges that the Company expects to incur, and the timing thereof, are subject to a number of assumptions, and actual expenses and results may differ materially from the Company's estimates disclosed above. Additional transaction and integration costs, which are expected to be material, will be incurred in 2026 and future periods in connection with the closing of the Anywhere Merger and the related integration activities.

0.25% Convertible Senior Notes due 2031

In connection with the Anywhere Merger, the Company completed an offering of \$1.0 billion in aggregate principal amount of 0.25% Convertible Senior Notes due 2031 (the "Convertible Notes") to Morgan Stanley & Co. LLC and certain other initial purchasers (collectively, the "Initial Purchasers"). The Convertible Notes will be redeemable, in whole or in part (subject to certain limitations), at the Company's option at any time, and from time to time, on or after April 20, 2029 and on or before the 40th scheduled trading day immediately before the maturity date, at a cash redemption price. The initial conversion rate for the Convertible Notes is 62.5626 shares of common stock per \$1,000 principal amount of Notes, which is equivalent to an initial conversion price of approximately \$15.98 per share of common stock. The Convertible Notes will mature on April 15, 2031. The net proceeds were used to repay certain existing indebtedness of Anywhere and its subsidiaries, pay related fees, costs and expenses related to the Anywhere Merger and fund the net cost of entering into the capped call transactions (the "Capped Call Transactions").

Additionally, the Company entered into the Capped Call Transactions with certain of the Initial Purchasers and/or their respective affiliates and/or other financial institutions. The Capped Call Transactions are expected generally to reduce potential dilution to the common stock upon any conversion of the Convertible Notes and/or offset any potential cash payments the Company is required to make in excess of the principal amount of such converted Notes, as the case may be, with such reduction and/or offset subject to a cap. The cap price of the Capped Call Transactions will initially be \$23.68 per share of common stock, which represents a premium of 100.0% over the last reported sale price of the common stock on January 7, 2026. The Company paid \$96.5 million for the Capped Call Transactions, funded with proceeds from the Convertible Notes. The net cash proceeds received from the offering of the Convertible Notes were approximately \$880 million after considering the \$96.5 million cost of the Capped Call Transaction and approximately \$23.5 million of debt issuance costs.

FINANCIAL STATEMENTS

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC – 2023 AND 2024

Christie's International Real Estate Management, LLC
Financial Statements
December 31, 2024 and 2023

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Christie's International Real Estate Management, LLC
New York, New York

Opinion

We have audited the accompanying financial statements of Christie's International Real Estate Management, LLC (a Delaware Limited Liability Company), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of changes in partners' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christie's International Real Estate Management, LLC as of December 31, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Christie's International Real Estate Management, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Christie's International Real Estate Management, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

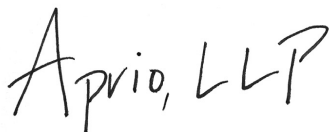
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Christie's International Real Estate Management, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Christie's International Real Estate Management, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in black ink that reads "Aprio, LLP". The signature is written in a cursive, flowing style.

New York, New York
March 25, 2025

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

	ASSETS	
	<u>2024</u>	<u>2023</u>
Current Assets		
Cash	\$ <u>100,000</u>	\$ <u>100,000</u>
TOTAL ASSETS	\$ <u>100,000</u>	\$ <u>100,000</u>
 PARTNERS' EQUITY		
Partners' Equity	\$ <u>100,000</u>	\$ <u>100,000</u>
TOTAL PARTNERS' EQUITY	\$ <u>100,000</u>	\$ <u>100,000</u>

See notes to the financial statements

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC
STATEMENTS OF CHANGES IN PARTNERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Partners' equity, January 1, 2023	100,000
Partners Contribution	-
Partners Distribution	<u>-</u>
Partners' equity, December 31, 2023	100,000
Partners Contribution	-
Partners Distribution	<u>-</u>
Partners' equity, December 31, 2024	<u>\$ 100,000</u>

See notes to the financial statements

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Cash Flows from Operating Activities	<u>2024</u>	<u>2023</u>
Cash received from operations, interest, and other income	\$ <u>-</u>	\$ <u>-</u>
Net Cash Flow from Operating Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	-	-
Cash at Beginning of Year	<u>100,000</u>	<u>100,000</u>
Cash at End of Year	\$ <u><u>100,000</u></u>	\$ <u><u>100,000</u></u>

See notes to the financial statements

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note A

Summary of Significant Accounting Policies

Nature of Operations:

Christie's International Real Estate Management, LLC, (the "Company"), is a Delaware Limited Liability Company, and has a principal business address at 806 N Peoria St, Ste 100, Chicago, IL 60642. The Company was organized on October 7, 2016 ("Inception") for the purpose of providing management and support services to real estate entities. There has been no business activity from Inception through the balance sheet date, December 31, 2024, other than the initial capitalization.

Basis of Accounting:

The financial statements and accompanying notes are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results could differ from those estimates.

Concentrations:

The Company maintains its cash in bank deposit accounts at one financial institution. At times, the balance may exceed federally insured limits. Accounts in the United States are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 for each account at each financial institution. The Company has not experienced any losses in such accounts.

Income Taxes:

As a limited liability company, the Company's taxable income or loss is allocated to the partners in accordance with the operating agreement. Therefore, no provision for income taxes has been included in the financial statements.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to only if those positions are more likely than not to be sustained. The Company will recognize future interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

CHRISTIE'S INTERNATIONAL REAL ESTATE MANAGEMENT, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note B

Subsequent Events

On November 25, 2024, the Company's ultimate parent, At World Properties Holding, LLC ("AWPH"), a Delaware limited liability company, entered into a Merger Agreement with Compass, Inc. ("Compass"), a Delaware corporation, which closed on January 13, 2025. Per the agreement, Compass acquired all of the issued and outstanding equity securities of AWPH and its subsidiaries.

Management has evaluated subsequent events through March 25, 2025, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than the events described above, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

GUARANTEE OF PERFORMANCE

For value received, Compass, Inc. ("Compass"), a Delaware corporation (the "Guarantor"), located at 110 Fifth Avenue, 4th Floor, New York, New York 10011, absolutely and unconditionally guarantees to assume the duties and obligations of Christie's International Real Estate, LLC, a Delaware limited liability company (the "Franchisor") under its franchise registration in each state where the franchise is registered, and under its license agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that license agreement may be entered into with licensees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations, and the license agreement are satisfied or until the liability of Franchisor to its licensees under the license agreement have been completely discharged, whichever occurs first. The Guarantor is not discharged from liability if a claim by a licensee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signed this guarantee at Madison, New Jersey on the 27th day of April, 2026.

Guarantor:
Compass, Inc.

By: Ethan Glass
Name: Ethan Glass
Title: Chief Legal Officer

EXHIBIT I
TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD
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CHRISTIE'S

INTERNATIONAL REAL ESTATE

Operations Manual

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EXHIBIT J

TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD

AFFILIATE DISCLOSURE QUESTIONNAIRE

AFFILIATE DISCLOSURE QUESTIONNAIRE

As you know, Christie's International Real Estate, LLC (the "**Licensor**") and you are preparing to enter into a Broker Affiliate License Agreement (the "**Agreement**") for the establishment and operation of an "CHRISTIE'S INTERNATIONAL REAL ESTATE" business (the "**Business**"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Licensor has not authorized and that may be untrue, inaccurate, or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

A goal in asking you these questions is to be confident that you are prepared to become a CHRISTIE'S INTERNATIONAL REAL ESTATE franchisee, that you understand the risks of owning your own business, and that we have complied with our obligations in providing you with the information required by law.

We may, in lieu of requesting that you review and sign this Questionnaire, review these questions with you during our pre closing meeting, and may take notes of your verbal responses for our records.

For California prospective franchisees: You are not required to sign this Affiliate Disclosure Questionnaire.

For Maryland prospective franchisees: Do not sign if the franchisee is a Maryland resident or if the franchised business will be located within the State of Maryland.

For Washington prospective franchisees: Do not sign this Affiliate Disclosure Questionnaire if you are a Washington resident or the Business will be located in Washington.

	QUESTIONS	YES	NO
1	Have you received and personally reviewed the Licensor's Franchise Disclosure Document (the "Disclosure Document") provided to you?		
2	Did you sign a receipt for the Disclosure Document indicating the date you received it?		
3	Do you understand all of the information contained in the Disclosure Document?		
4	Have you received and personally reviewed the Agreement and each exhibit or schedule attached to it?		
5	Did you receive a copy of the Disclosure Document at least 14 days prior to signing the Agreement or paying Licensor any fees?		
6	Did you receive a copy of the Agreement at least seven calendar days before signing?		
7	Do you understand the terms of and your obligations under the Agreement?		
8	Have you discussed the benefits and risks of operating a Business with an attorney, accountant, or other professional advisor?		
9	Do you wish to have more time to meet with an attorney, accountant, or other professional advisor?		
10	Do you understand the risks associated with operating a Business?		

QUESTIONS	YES	NO
Do you agree that (a) you or the entity that you form to be an Affiliate will be the employer of all of your employees and will have sole discretion and authority to hire, fire, discipline, compensate and schedule working hours for, all of your employees; and (b) Licensor and Licensor's affiliates will have no control, or right to control, any of the employment actions or decisions in your Business? <i>We recommend that you retain employment law counsel to advise you with your employment issues and questions.</i>		
11 Do you understand that any territorial rights you have been granted (which may be none) are subject to limitations and exceptions?		
12 Do you understand that the success or failure of a Business will depend in large part upon your skills and abilities, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?		
13 Has any employee or other person speaking on behalf of the Licensor made any statement or promise regarding the amount of money you may earn in operating a Business?		
14 Has any employee or other person speaking on behalf of the Licensor made any statement or promise concerning the total amount of revenue the Business will generate?		
15 Has any employee or other person speaking on behalf of the Licensor made any statement or promise regarding the costs involved in operating Business that is contrary to, or different from, the information contained in the disclosure document?		
16 Has any employee or other person speaking on behalf of the Licensor made any statement or promise concerning the actual, average, or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating the Business?		
17 Has any employee or other person speaking on behalf of the Franchisor made any statement or promise or agreement, other than those matters addressed in your Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance relating to the Business that is contrary to, or different from, the information contained in the disclosure document?		
18 Do you acknowledge and agree that the Business may be impacted by many risks, including those outside Licensor's or your control, such as economic, political or social disruption, including epidemics or pandemics or similar events?		
19 Do you understand that the Agreement contains a number of provisions that may affect your legal rights, including required mediation, designated locations or states for any judicial proceedings, a waiver of a jury trial, a waiver of punitive or exemplary damages, limitations on when claims may be filed, and other waivers and limitations?		

	QUESTIONS	YES	NO
20	<i>Optional Question:</i> Are both of the following statements accurate for your company: (a) Your, or your parent, or at least one of your corporate affiliates, is an entity that has been in business for at least 5 years; and (b) You, or the parent or corporate affiliate that satisfies Condition 1, has a net worth of at least \$7,348,000 according to its most recent financial statements.		

If you answered “Yes” to any of questions 10 through 15, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered “No” to each of the foregoing questions, please leave the following lines blank.

You understand that your answers are important to us and that we will rely on them.

AFFILIATE APPLICANT

Dated: _____

AFFILIATE APPLICANT

Dated: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT K
TO THE CHRISTIE'S INTERNATIONAL REAL ESTATE FDD
RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the License Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Christie's International Real Estate, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Iowa and New York require that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days (10 business days in New York) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit B.

The franchisor is Christie's International Real Estate, LLC located at 806 N. Peoria St., Chicago, IL 60642. Its telephone number is (312) 254-0200.

Issuance Date: **April 30, 2026**

The franchise sellers involved in offering and selling the franchise to you are listed below with a principal business address of 806 N. Peoria, Chicago, IL 60642, and telephone number of (312) 254-0200, or will be provided to you separately before you sign the License Agreement:

Name		
Gavin Swartzman	G. Scott Hurlock	

We authorize the respective state agencies identified in Exhibit B to receive service of process for us in the particular state. I have received a disclosure document with a date of issuance of **April 30, 2026** that included the following Exhibits:

I have received a disclosure document dated **April 30, 2026** that included the following Exhibits:

A-1	State-Specific Addenda to the FDD	E-2	Security Agreement
A-2	State-Specific Addenda to the License Agreement	F	List of Current Affiliates
B	State Administrators and Agents for Service of Process	G	List of Former Affiliates
C	License Agreement	H	Financial Statements
D	Reserved	I	Table of Contents of Operations Manual
E	Form General Release	J	Affiliate Disclosure Questionnaire
E-1	Conversion Promissory Note	K	Receipts

PROSPECTIVE AFFILIATE	
Date you received this Disclosure Document:	
If an individual:	If a business entity:
Name	Name
Printed Name	Printed Name / Title
Address	Address
Telephone Number	Telephone Number
Please sign, date, and return this copy to us, Christie's International Real Estate, LLC, at affiliatenetwork@christiesrealestate.com; (312) 254-0200.	

RECEIPT

This disclosure document summarizes certain provisions of the License Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Christie's International Real Estate, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Iowa and New York require that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days (10 business days in New York) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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E	Form General Release	J	Affiliate Disclosure Questionnaire
E-1	Conversion Promissory Note	K	Receipts

PROSPECTIVE AFFILIATE	
Date you received this Disclosure Document:	
If an individual:	If a business entity:
Name	Name
Printed Name	Printed Name / Title
Address	Address
Telephone Number	Telephone Number
Please sign, date, and retain this copy for your records, Christie's International Real Estate, LLC, at affiliatenetwork@christiesrealestate.com; (312) 254-0200.	