



FAQ

ICA and Policies & Procedures Update (2/1/2024)

What is the Risk Management Fee?

The Risk Management Fee is one of the standard fees assessed to agents on a per-transaction basis and is used by the company to offset the cost of E&O insurance, settlements, judgments, legal fees, costs of claims and litigation, and other risk-management costs.

Is this a new fee at eXp?

- No. All Transactions include a Risk Management Fee that is deducted from all closings, excluding all referrals, BPOs, and leasing/rental commissions under \$1,000 Gross Commission Income to eXp.

What are the Risk Management Fee changes?

- Effective February 1, 2024, the Risk Management Fee for U.S. Realty will change from \$40 to \$60 per transaction, and the Risk Assessment Fee cap will change from \$500 to \$750 per year.

How does this affect my current pending transactions?

- All pending transactions with an effective date prior to February 1, 2024, will be assessed the \$40 Risk Assessment fee.

What if my Risk Assessment Fee capped before February 1, 2024?

- All agent Risk Assessment Fee Caps will automatically increase from \$500 to \$750, regardless of whether or not an agent's Risk Assessment Fee Cap had been initially activated.

How does this affect Teams?

- The Risk Management Fee will continue to be divided equally between the Team Leader and the Team Member. Each Agent shall be responsible for their annual Risk Management Fee cap.

Does this change affect eXp Global, eXp Canada or eXp Commercial?

- No. This change impacts U.S. Realty.