Re/Max investigation may hinge on code of conduct

One day after Re/Max abruptly postponed a scheduled earnings call citing an internal investigation into allegations "concerning actions" between co-chief executives Dave Liniger and Adam Contos, it appears that predicted damage to the real estate franchise could be negligible. Though Re/Max's stock took a 21-percent tumble on Wall Street to $52.65 per share Friday, the inquiry may hinge on a code of conduct violation that could potentially be addressed without jeopardizing the business or harming shareholders in the long run. "From the outside looking in, it doesn’t seem to be a major event, but it still could be a technical violation of their code of conduct, in which case they’d have to deal with it however they choose to deal with these things,” said Russ Cofano, a real estate industry veteran who previously served as president and general counsel of eXp World Holdings. “But, outwardly, it seems pretty benign,” Cofano added. The inquiry by a special committee ...

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