

Service Fee Policy — Furnished Rental Group

This Service Fee Policy (“Policy”) forms part of the **Furnished Rental Group Terms of Service** and **Payment Terms**. It explains when and how FRG charges service fees for reservations made on the FRG Platform (“Platform”).

Service fees allow FRG to operate the Platform, provide 24/7 customer support, ensure secure payment processing, invest in fraud prevention, marketing, and maintain global compliance infrastructure.

By booking or hosting on the FRG Platform, you agree to the terms set out in this Policy.

1. Applicability and Scope

This Policy applies to:

- **Hosts** listing accommodations, services, or experiences on the FRG Platform;
- **Guests** booking accommodations, services, or experiences;
- **Third-party property managers** using connected software;
- **All regions** where FRG operates globally.

Unless otherwise specified by law or regulation, service fees are **non-refundable** once a reservation is confirmed, except as provided under FRG’s **Cancellation and Refund Policies**.

2. Types of Service Fees for Stays

FRG applies two main fee structures for accommodation stays:

1. **Split-Fee Structure** — fees are shared between Host and Guest.
 2. **Host-Only Fee Structure** — one unified fee deducted solely from Host payouts.
-

3. Split-Fee Structure

3.1 Host Service Fee (Split-Fee)

- **Standard Rate:** Most Hosts pay a service fee of **3%** of the subtotal (nightly rate plus additional Host charges, excluding Guest service fees and taxes).
- **Regional Variations:**
 - **Brazil:** Hosts pay **4%**.
 - **Italy:** Hosts pay a slightly higher percentage if required by law or local regulations.
- Fees are automatically deducted from the Host payout before disbursement.

3.2 Guest Service Fee (Split-Fee)

- Guests pay a service fee typically ranging between **14.1%–16.5%** of the reservation subtotal (nightly rate plus additional Host charges, excluding taxes).
- Guest fees may be:
 - **Reduced for long stays** (28 nights or more),
 - **Adjusted for currency conversions** if payment currency differs from the Host listing currency.

When multi-currency processing applies, an additional adjustment may result in a **Guest Service Fee of up to 16.5%**.

4. Transition to Host-Only Fee Structure

FRG is migrating many Hosts to the **Host-Only Fee Structure** as follows:

- **August 25, 2025:** New Hosts using property management software may only select the Host-Only Fee structure.
- **October 27, 2025:** Most existing Hosts using property management software will automatically transition to Host-Only Fee structure.

- **December 1, 2025:** Most remaining Hosts, including those not using software, will transition unless exempted.

Exemptions apply for:

- **Traditional hotels** with separate FRG Travel LLC contracts,
 - Certain regulated lodging categories (as notified separately).
-

5. Host-Only Fee Structure

- **Standard Rate:** Between **14%–16%** of the reservation subtotal deducted from the Host payout.
- **Stricter Cancellation Policies:** May increase the fee by **+2%**.
- **Long-Term Stays** (28 nights or more): May qualify for reduced fees.
- **Regional Variations:**
 - Brazil Hosts continue paying **16%** under this structure.

Effective Dates:

- **October 27, 2025:** Applies to Hosts connected via property management software.
 - **December 1, 2025:** Applies to most other Hosts globally.
-

6. Service Fees for Services & Experiences

FRG charges separate service fees for non-accommodation offerings:

- **Services (e.g., cleaning, guided transport):** **15%**, subject to a **minimum of USD \$6** or equivalent in local currency, adjusted for daily FX rates.
- **Experiences (e.g., tours, classes):** **20%**, unless local law requires a different structure.

All such fees are deducted from Host payouts after reservation confirmation.

7. Multi-Currency Transactions

- If the **Guest's payment currency** differs from the **Host's listing currency**, FRG adjusts fees to maintain equivalent value in the Guest's currency.
 - Additional FX adjustments may apply, especially when conversion costs fluctuate significantly, potentially increasing Guest Service Fees to the **16.5% cap**.
-

8. VAT, GST, and Sales Tax

- **Where applicable**, VAT/GST or similar taxes may be levied on service fees per local law.
 - Displayed service fees **include applicable VAT/GST** where required by law.
-

9. Viewing Service Fees

9.1 For Hosts

- **Desktop:** Go to *Today > Menu > Earnings > Reservation Details*
- **Mobile/Web App:** Tap *Menu > Reservations > Earnings*
- **Payout Summary:** Displays Host Service Fees deducted from payouts.

9.2 For Guests

- Service fees appear in the **price breakdown** before booking confirmation.
-

10. Policy on Modifications

FRG reserves the right to modify service fee percentages or structures with prior notice as required under the **FRG Terms of Service**.

11. Regional Variations

Some jurisdictions impose additional rules on service fee disclosures, caps, or taxation. FRG complies with:

- **EEA & UK:** Price transparency rules under EU/UK consumer law.
 - **Australia & New Zealand:** Australian Consumer Law (ACL) disclosure standards.
 - **Brazil:** Local tax regulations on service charges.
 - **China:** PIPL disclosure obligations for fee-related personal data.
-

12. Examples and Scenarios

12.1 Standard Stay Example

- Nightly Rate: $\$100 \times 3 \text{ nights} = \300
- Guest Fee (15%): \$45
- Host Fee (3%): \$9
- Host Payout: \$291

12.2 Host-Only Fee Example

- Nightly Rate: $\$100 \times 3 \text{ nights} = \300
- Host Fee (15%): \$45
- Host Payout: \$255

12.3 Long-Term Stay (28 nights)

- Reduced Guest Fee: 10%
 - Reduced Host Fee: 12%
-

13. Dispute Resolution

Fee disputes follow the same procedures outlined in the **FRG Terms of Service** and **Payment Terms**, including:

- **Informal resolution** via FRG Support,
 - **Binding arbitration** for U.S. users,
 - **Local dispute mechanisms** for EEA, UK, Australia, Brazil, and China.
-

14. Governing Law

This Policy is governed by the laws applicable under the **FRG Terms of Service** for your region.

15. Effective Dates

All changes described in this Policy take effect on the dates specified above. Future changes will be communicated at least **30 days prior** to implementation.

This **FRG Service Fee Policy** now matches the **depth, length, and global compliance detail** of the prior Terms of Service and Payment Terms, including **fee structures, regional variations, currency handling, taxation, dispute resolution, and effective dates**.