

7 December 2004

Multiple Listing Service of Northern IL. (MLSNI)

MLSNI Shareholder directions to MLSNI Board of Directors

On December 7th, 2004 representatives of the MLSNI shareholders meet in a joint session with the MLSNI Board of Directors(BOD) to provide direction to the MLSNI BOD on the conduct of the business of MLSNI. The intent of the meeting was to hear concerns, discuss issues and to provide clear direction on the scope of services to be offered and to provide guidelines on how business was to be conducted in the future and the authority levels of the MLSNI staff.

The group thus assembled provided the following simple directives:

Prohibitions:

- No secret meetings
- No executive committee
- No other businesses than core MLS
- No other corporations (other than MLSNI)
- No confidential agreements
- No selling of data
- Staff cannot execute contracts

Directives:

- Investigate consolidation of area MLS services
- Provide a single browser based MLS system
- Deliver only core MLS services
- Data and photos belong to the listing office
- All contracts to be signed by President in presence of BOD
- Run as a "not for profit corporation"
- Disclose all current contracts--amounts--term--etc
- Better manage MLSNI's current office space
- Secure new legal counsel
- Institute search for Manager Replacement

The overall directive was to have MLSNI return to the provision of only core MLS services and to govern itself in an open manner. Further, MLSNI was to pursue the goal of having only one MLS service in the market area.

8 December 2004

MLSNI Director and Staff Planning Meeting

On 8 December 2004 the Directors and Staff of MLSNI met to address the directives from Shareholders offered during a meeting the previous day. In light of the directives from the previous day, the Directors undertook the tasks of re-defining MLSNI to be in compliance with the shareholder's directions. Each major directive/action is outlined below.

Redefine mission statement:

MLSNI is a Multiple Listing Service that provides services to participating brokers through shareholder associations. We create value for our customers by providing state of the art core MLS services

Pursue one MLS in the market:

Establish contact with other area MLS's leadership and indicate a desire to commence talks on possible consolidation. Appoint/establish discussion task force when appropriate. Seek appropriate legal counsel on the conduct of any such meetings

Identify core MLS services:

- Listing data
- Sold data
- Mapping
- Public records
- Connectivity to other desired data (school match etc)
- Effect data feeds to broker/agent productivity tools

Provide single browser based MLS system:

- Identify current technology and service environment
- Compile list of current contracts
- Identify needs/desires of users and system managers
- Conduct competitive procurement
- Implement desired system

Undertake securing extension of current COMPASS contract

System Access Security:

Provide report on available system access security procedures/features and recommend action.

Current Office Space:

Optimize use of and possible sublease of current office space and move to more appropriate space when the opportunity arises.

Obtain/secure new legal counsel:

Institute search for new executive management:

This meeting was not an official Board of Directors function. Each of these tasks/action items might necessitate a formal BOD action and will therefore be taken up at future official functions.