

## SETTLEMENT AGREEMENT

This Settlement Agreement (“this Agreement”), dated and effective as of the 1st day of July, 2010, is entered into by and among Larry Mayall (“Mayall”), who resides at 1788 Cheshunt Lane, Cordova, Tennessee 38016; First National Realty, Inc. (“First National”), a Tennessee corporation whose principal place of business is located at 6423 Summer Gale Drive, Memphis, Tennessee 38134; Malcolm Settles (“Settles”), who resides at 4928 Ridge Park Drive, Memphis, Tennessee 38128; Olena Keene (“Keene”), who resides at 5034 Trent Cove, Bartlett, Tennessee 38002; Pamela Michael Lane Wright (“Wright”), who resides at 10476 Mabry Mill, Cordova, Tennessee 38016; 9to5 Realty, LLC (“9to5”), a Tennessee limited liability company whose principal place of business is located at 6423 Summer Gale Drive, Memphis, Tennessee 38134; and Memphis Area Association of Realtors®, Inc. (“MAAR”), a Tennessee non-profit corporation whose principal place of business is located at 6393 Poplar Avenue, Memphis, Tennessee 38119.

Reference is hereby made to the lawsuit styled “Larry Mayall and First National Realty, Inc., Plaintiffs, versus Memphis Area Association of Realtors®, Inc., Defendant,” and assigned Docket No. CH-10-0457-1 in the Chancery Court of Shelby County, Tennessee (“First Lawsuit”).

Reference is also hereby made to the Settlement Agreement dated April 12, 2010 (“First Settlement Agreement”), by and among Mayall, First National, and MAAR.

In addition, reference is hereby made to the lawsuit styled “Larry Mayall, First National Realty, Inc., Malcolm Settles, Olena Keene, Pam Wright, and Other Similarly Situated Agents of First National Realty, Inc., Plaintiffs, versus Memphis Area Association of Realtors®, Inc., Defendant,” and assigned Docket No. CH-10-0809-1 in the Chancery Court of Shelby County, Tennessee (“Current Lawsuit”); and

WHEREAS, MAAR is a trade association of real estate licensees and others who subscribe to a code of ethics and various policies and procedures of the National Association of Realtors® (“NAR”); and

WHEREAS, MAAR’s territorial jurisdiction as an affiliate of NAR is comprised of Shelby, Tipton, Fayette, Hardeman, Hardin, and McNairy counties in Tennessee (“MAAR’s Territory”); and

WHEREAS, Mayall, Settles, Keene, and Wright are Tennessee real estate licensees associated with First National; and

WHEREAS, prior to April 15, 2010, Mayall, Settles, Keene, and Wright were members of MAAR; and

WHEREAS, Mayall, First National, and MAAR entered into First Settlement Agreement in order to resolve First Lawsuit, which, in accordance with First Settlement

Agreement, was dismissed with prejudice by a consent order entered on April 14, 2010; and

WHEREAS, pursuant to First Settlement Agreement, Mayall resigned from MAAR, and further disputes arose among the parties that resulted in the filing of Current Lawsuit; and

WHEREAS, the original dispute between Mayall and MAAR centered on the issue of whether Mayall, who at the time was a Realtor® Member of MAAR, was also an owner and/or principal of 9to5, which was not associated with MAAR; and

WHEREAS, the parties desire to resolve Current Lawsuit upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. The terms and provisions of First Settlement Agreement shall remain in effect and are hereby ratified by all parties hereto.
2. 9to5 Realty, Inc., shall cease operating as a real estate brokerage business within MAAR's Territory on or before September 30, 2010. For purposes of this Settlement Agreement, the term "real estate brokerage business" shall mean the activities of a real estate broker or affiliate broker as those activities are described in Tennessee Code Annotated Section 62-13-102(4).
3. Beginning October 1, 2010, any office of 9to5 located within MAAR's Territory: (a) shall be an office for only limited purposes, such as functioning as the franchisor of franchised real estate brokerage businesses located outside MAAR's Territory; and (b) shall not be a real estate office licensed by the State of Tennessee. Also beginning October 1, 2010, anyone whose real estate license is associated with 9to5 shall not engage in the real estate brokerage business in MAAR's Territory.
4. Promptly upon re-submission to MAAR, Settles' revised application to become the Designated Realtor® for First National shall be approved by MAAR. Said approval shall be retroactive to the date said revised application was first submitted, namely April 28, 2010. Said revised application shall be deemed to have been promptly submitted, and Settles, Wright, and Keene, as well as all other real estate licensees who, as of April 15, 2010, were associated with First National and were members in good standing of MAAR, will be reinstated as members in good standing of MAAR retroactive to April 15, 2010. No reinstatement fees shall be owing to MAAR with respect to the real estate licensees who are reinstated pursuant to this numbered section, and the only fees owing to MAAR with respect to those licensees for the period

prior to April 15, 2010, shall be any unpaid fees for services provided to those licensees prior to that date.

5. Mayall is not a member of MAAR and, pursuant to First Settlement Agreement, may not apply for re-admission to MAAR for five (5) years from the date of First Settlement Agreement, namely April 12, 2010. Mayall may remain with First National as a non-member salesperson. He shall not have access to MAAR member services other than MAAR's multiple listing service, and he shall have access to MAAR's multiple listing service only for so long as he is a member of another local association of Realtors® and is entitled to access to MAAR's multiple listing service under NAR's Board of Choice Policy. In view of the limitations imposed on 9to5 pursuant to this Agreement, MAAR is not requiring Mayall to sever his connections with First National.
6. Current Lawsuit shall be promptly dismissed with prejudice, and First National shall pay the court costs in connection therewith.
7. Each of the parties hereto acknowledge that this Settlement Agreement is a compromise of disputed claims concerning 9to5 and the effect of Mayall's resignation from MAAR, and shall not be construed as: (a) an admission of liability by any party hereto; (b) exempting anyone from application of the MAAR Constitution, rules, and policies, or the bylaws, rules, and policies of MAAR or of any other local association of Realtors®; or (c) a waiver of the requirements of such Constitution, rules, policies, and bylaws.
8. Any party to this Settlement Agreement shall be entitled to injunctive relief to enforce the terms and provisions hereof without satisfying any requirement that might otherwise exist for proof of irreparable harm.
9. The parties declare and represent that no compromise, inducement, or agreement not herein expressed has been made. This Agreement contains the entire agreement among them with regard to the settlement and supersedes any prior understanding, agreement, or discussion with respect thereto, except for First Settlement Agreement. Each party is represented by counsel and is relying upon said party's own knowledge and investigation.
10. Each of the parties hereto represents, warrants, and covenants that he or it has complete and full authority to enter into this Agreement and to perform all obligations hereunder.
11. This Agreement is binding upon, and shall inure to the benefit of, each party and his or its heirs, executors, successors, and assigns.
12. This Agreement shall be governed by Tennessee law.

13. This Agreement may be executed in multiple counterparts, each of which shall be an original, but all of which together shall constitute but one and the same instrument. This Agreement, after execution, may be sent by facsimile or e-mail transmission and upon receipt shall be binding upon the parties executing same.

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement at Memphis, Tennessee, as of the date first above written.

\_\_\_\_\_  
LARRY MAYALL

FIRST NATIONAL REALTY, INC.,  
a Tennessee Corporation

By: \_\_\_\_\_  
LARRY MAYALL  
President

\_\_\_\_\_  
MALCOLM SETTLES

\_\_\_\_\_  
PAMELA MICHAEL LANE WRIGHT

\_\_\_\_\_  
OLENA KEENE

9to5 REALTY, LLC,  
a Tennessee Limited Liability Company

By: \_\_\_\_\_  
MARK MAYALL  
Sole Member

MEMPHIS AREA ASSOCIATION OF  
REALTORS®, INC., a Tennessee  
Non-Profit Corporation

By: \_\_\_\_\_  
GLENN MOORE  
President