

## Update Bulletin

### StoreNext Business Council — Nominations Open

October 2, 2007

The nomination process for the 2007/2008 StoreNext Business Council has begun. All StoreNext Dealer Principals/Owners are invited to participate in the continued operation of this council.

As you likely recall, this organization has been formed to maximize mutual business success for



Dealers and StoreNext as well as providing a regular forum for communications and information. In addition to twice-yearly meetings, both StoreNext and Dealers have used the Council for ad-hoc advice and discussion of issues. StoreNext anticipates that the Council members will continue to represent the interests of all StoreNext Dealers.

The council consists of six members from election by Dealer Principals and up to two additional Dealers added by StoreNext. The term of the elected members is two years, with overlapping terms so that three dealers are elected each year. Current members remaining on the council for this coming year are Bob Bauer, Les Farrance, Lane Osbon, and Gary Pollastro.

Dealer Principals are invited to volunteer themselves and nominate other Dealer Principals for a two-year term commencing in September. StoreNext thanks David Fuller, Bob Seider and Terry Woods for their outstanding service over the past two years, and their names will be automatically placed among the nominations and volunteers for the upcoming term.

Please email up to three nominations to [avanseventer@storenext.com](mailto:avanseventer@storenext.com) *by this Monday, October 8*. Nominations will *only* be accepted from Dealer Principals/Owners. The election will be completed next week. The fall meeting of the SBC will be held in November in Dallas with the dates to be announced.

StoreNext views the SBC as a success from all perspectives. Not only has StoreNext learned a great deal about issues and pressures facing Dealers today, but specific competitive, policy and strategic issues are now much better understood by all. Several important new and changed policies, strategies and features from the past year were a direct outcome of the Business Council meetings, and the Council has been an invaluable "sounding board" for many of the major decisions and actions carried out.

The following pages outline the Council's structure and operation. We look forward to working with the new Council.

To Your Success,



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Anthony van Seventer

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# StoreNext Business Council

## Structure and Operation

### PURPOSE

- The purpose of the StoreNext Business Council and its meetings are to advance business success for all StoreNext Dealers and StoreNext Retail Technologies.
- Programs, futures, relationships, third parties, industry issues and trends will be the focus of council meetings. Individual Dealer issues and product-specific enhancement priorities will continue to be managed through everyday Dealer/StoreNext account relationships.

### MEETINGS

- Formal meetings will be held approximately every six months, attended by council members and selected members of StoreNext management.
- Third parties and additional attendees may be invited for portions of these meetings by agreement of StoreNext and the Council.
- StoreNext will provide the locations and arrangements for council meetings.
- Meeting dates and locations will be announced approximately four to six weeks in advance.
- Meetings will be held over a one or two-day period with schedules designed to minimize Dealers' time away from their offices. StoreNext will also attempt to schedule council meetings for the beginning or ending of the week to facilitate additional weekend meetings or activities as well as reducing travel costs.
- StoreNext will arrange and pay lodging for council members. Members will be responsible for all other travel arrangements and expenses.
- Conference calls and informal meetings can be held as required by the Council and StoreNext from time to time.

### MEETING AGENDAS

- Council members will determine the primary agenda and topics to be discussed at the meetings. The agenda will be provided to StoreNext at least three weeks in advance of a meeting.
- The Council may request a special focused discussion or presentation by StoreNext on a particular topic. If such an item is desired, the Council will confer with StoreNext at least three weeks in advance to allow for reasonable preparation.
- The Council will provide at least two hours for open discussion of topics of concern to StoreNext. StoreNext will endeavor to give council members early notice of such topics.
- Given the purpose of council meetings and the expected dissemination of the meeting discussions through – and perhaps beyond – the Dealer community, confidential information will not be provided by StoreNext. StoreNext will not ask council members for any confidential information regarding Dealerships or other vendors.

## MINUTES

- In the interest of communications, attending Dealers will publish minutes of council meetings to all other StoreNext Store Systems Dealer principals at the level of subjects, primary points and conclusions. StoreNext requests review of these minutes prior to distribution for purposes of tone, completeness and accuracy.
- Special presentations provided at the meetings may also be distributed to all Dealers or Dealer principals.

## MEMBERSHIP

- The StoreNext Business Council consists of six (6) authorized StoreNext Store Systems Dealer principals/owners whose Dealerships are in good standing with StoreNext.
- StoreNext at its option may place up to two additional Dealers of its choosing on the Business Council for one or additional meetings.
- Members will be nominated, volunteered and elected by Store Systems Dealer principals.
- The term of office is two years.
- Membership terms are “staggered” so that three members will normally be in the first year of their membership and the other three will normally be in their second year.
- The election mechanism is the responsibility of StoreNext.
- There is not a limit on the number of terms a Dealer may be elected to serve.
- A first and second alternate will also be elected. These alternates will permanently replace a member if that member is unable or unwilling to continue to serve.
- Members are expected to attend all meetings during their term, and be available for other Council discussions or activities as appropriate. If a council member is unable to participate in a specific function, no backup or alternate will fulfill that member’s role for that function, nor will any other person attend or function in the absent member’s place.
- Members may exit the Council and the appropriate alternate will replace that member on a permanent basis.
  - If a member is unwilling or unable to serve, they may resign.
  - The Council may request the agreement of StoreNext to replace a member with the alternate if the member cannot fulfill the Council responsibilities.
  - StoreNext may request the agreement of the Council to replace a member with the alternate if the member cannot fulfill the Council responsibilities.
  - The appropriate alternate will automatically replace the member on the Council if the member ceases to be a StoreNext Dealer in good standing.
  - If a case arises where both the first and second alternate have already been called to serve on the Council, and an additional council member ceases to serve, the Council will operate at reduced size until the following election.

## ELECTIONS

- Store Systems Dealer principals only may serve on the Council.
- No more than one principal from a Dealership or Dealership group (for example, a Dealer company with multiple offices that are not fully financially independent) may



serve at one time unless brought forward as an alternate in the case of a member leaving the Council.

- Once per year when an election is required, StoreNext will poll the current Dealer principals for nominations and volunteers to the Council. The nomination and volunteer period will be one to two weeks time permitting. All nominees and volunteers must be current StoreNext Dealers in good standing.
- Once the nomination period is closed, nominated Dealers will be asked to confirm that they will be able to serve if elected. Nominated Dealers who feel that they will not be able to perform the expected role may remove their name from the nomination list.
- The final nominations will then be submitted to the Dealer principals for a vote:
  - Store Systems Dealer principals only are eligible to vote. The voting period will be approximately two weeks (time permitting) to maximize the opportunity for full participation by all Store Systems Dealer principals.
  - Each Dealer principal will vote for three of the nominees. A Dealer principal may only vote once per election for one specific nominee.
  - Dealer principals who are nominees are encouraged to vote for themselves if desired.
  - Voting selections on ballots will be sealed in strictest confidence. The Dealer's name will be logged only as having voted, and selections will be tallied separately from the voter's identity.
- The three Dealers (in any year's election) with the largest number of votes will be notified and identified as having been elected to the Council for the upcoming term. No detailed results (totals, etc.) will be announced.
- The fourth and fifth-highest ranking nominees will be the First Alternate and Second Alternate respectively. The names of the alternates will not be announced until such time as it may be necessary for an alternate to serve.
- In case of a tie for the fifth elected Council position or Second Alternate position, StoreNext will select which of the Dealer principals to serve in that capacity based upon these criteria in the following order:
  1. Size – to maximize diversity in the size and scope of the Dealerships represented on the Council
  2. Location – to maximize geographical diversity of the Dealerships represented on the Council
  3. Coin flip
- Once elected, the three elected council members will join the three council members remaining from the previous term.
- The Council is requested to select a council president. Additional council offices and responsibilities can be determined internally at the Council's option.

## MODIFICATIONS

- StoreNext reserves the right to revise the structure and operation of the StoreNext Business Council at its sole option and discretion.
- StoreNext will normally to consult the current Council prior to making such revisions.
- The Council and its members, as well as all StoreNext Dealers, are invited to recommend revisions to these terms and provisions for the Council at any time to StoreNext and/or the current Council.