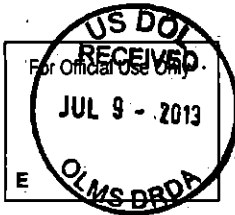


FORM LM-20

AGREEMENT AND ACTIVITIES REPORT

Form approved
Office of Management
and Budget
No. 1215-0188
Expires 11-30-2006



This report is mandatory under P.L. 86-257, as amended. Failure to comply may result in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440. Required of persons, including Labor Relations Consultants and Other Individuals and Organizations, Under Section 203(b) of the Labor-Management Reporting and Disclosure Act of 1959, as amended. (LMRDA)

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

53433

1. File Number: C- 00633

Person Filing

2. Name and mailing address (include ZIP Code):

Name Michael D Penn

Title Partner

Organization The Crossroads Group

P.O. Box, Bldg., Room No., if any

Street 63 Via Pico Plaza, Suite 505

City San Clemente

State California ZIP Code + 4 92672

3. Any other address where records necessary to verify this report are kept:

Name

Title

Organization

P.O. Box, Bldg., Room No., if any

Street

City

State ZIP Code + 4

4. Date fiscal year ends:

Dec / 31

5. Type of person:

a. ☐ Individual b. ☒ Partnership c. ☐ Corporation d. ☐ Other (Specify):

Nature of Agreement or Arrangement

6. Full name and address of employer with whom made (include ZIP Code):

Name Valerie Mogavero

Organization CRC Health Group

Trade Name, if any

P.O. Box, Bldg., Room No., if any

Street 1385 Newark Road

City Kennett Square

State Pennsylvania ZIP Code + 4 19348

7. Date entered into:

6 / 4 / 2013

8. Name of person(s) through whom made:

Name Valerie Mogavero

Name

Name

Name

Name

Signatures

Each of the undersigned declares, under penalty of perjury and other applicable penalties of law, that all of the information submitted in this report (including the information contained in any accompanying documents) has been examined by the signatory and is, to the best of the undersigned's knowledge and belief, true, correct, and complete. (See Section VII on penalties in the instructions.)

13. Signed Michael Dana Penn

President
(If other title, see
instructions)

Title Other (Specify)

Partner

On 06/27/2013 818-999-5632

Date

Telephone Number

14. Signed [Signature]

Treasurer
(If other title, see
instructions)

Title Other (Specify)

Partner

On 7-01-2013 949-248-0884

Date

Telephone Number

9. Check the appropriate box to indicate whether an object of the activities undertaken, is directly or indirectly:

- a. ☒ To persuade employees to exercise or not to exercise, or persuade employees as to the manner of exercising, the right to organize and bargain collectively through representatives of their own choosing.
- b. ☐ To supply an employer with information concerning the activities of employees or a labor organization in connection with a labor dispute involving such employer, except information for use solely in conjunction with an administrative or arbitral proceeding or a criminal or civil judicial proceeding.

10. Terms and conditions (Explain in detail; see instructions. Written agreements must be attached.):

Payment on a fee-for-service basis at the hourly rate of \$350.00 plus reasonable and customary expenses

Specific Activities to be Performed

11. For each activity, separately list in detail the information required (See instructions):

a. Nature of activity:

To assist the Employer's communication efforts to advise employees of their Section 7 rights and furnish them with information related to third-party representation

11.b. Period during which performed:

06/04 - 06/26/2013

11.c. Extent performed:

Completed

11.d. Name and address through whom performed:

Name Michael D Penn

Organization The Crossroads Group

P.O. Box, Bldg., Room No., if any

Street 63 Via Pico Plaza, Suite 505

City San Clemente

State California ZIP Code + 4 92672

Additional Name and address through whom performed, if any:

Name

Organization

P.O. Box, Bldg., Room No., if any

Street

City

State ZIP Code + 4

12.a. Identify subject groups of employees:

Voting Group A (Technical Employees): All regular full-time and regular part-time technical employees, including licensed practical nurses employed by the Employer at its Madison, Wisconsin facility (d/b/a Madison Health Services)

Voting Group B (Non-Technical Employees): All regular full-time and regular part-time counselors, counselor-substance abuse, billing clerks and billing specialists employed by the Employer at the same location mentioned above

12.b. Identify subject labor organizations:

AFSCME District Council 40



THE CROSSROADS GROUP
Labor Relations Consultants

Michael D. Penn, Partner
818.999.5632
mpenn@icgconsultants.com

Steven A. Beyer, Partner
949.248.0884
sbeyer@icgconsultants.com

Personal & Confidential

June 3, 2013

Ms. Valerie Mogavero, Vice President, HR Operations
CRC Health Group
1385 Newark Road
Kennett Square, PA 19348

Re: Agreement for Professional Services

Dear Ms. Mogavero:

In accordance with our conversations and mutual agreements, this letter will confirm that CRC Health Group (the "Client") has retained The Crossroads Group Labor Relations Consultants (the "Consultant") regarding general personnel and labor relations activities related to the National Labor Relations Board certification election campaign at the Client's facility in Madison, Wisconsin commencing on June 3, 2013.

Our fees are charged on an hourly basis in minimum units of a quarter of an hour for all time actually expended on your behalf. You will receive my personal services, which will be billed at the special discounted rate of \$350.00 per hour. Clients are billed at the hourly rate for all time expended on their behalf, plus one-half travel time and reasonable and customary out-of-pocket expenses. We agree to reduce our normal 8-hour minimum daily billing to a 4-hour daily minimum.

We agree to send you statements clearly showing the basis for our fees and charges by detailing the services rendered and costs incurred on a weekly basis. All fees and expenses not previously paid are due and payable upon receipt of each statement. The Client agrees to pay the statement promptly and in full, understanding that if payment is not made in full within thirty (30) days of the statement date, the Client's account shall be considered past due and an interest charge may be added to the outstanding balance in an amount equal to one and one-half percent (1.5%) per month.

Consultant is retained to provide independent and objective professional judgment and recommendations; accordingly, a difference of opinion on a question of professional judgment shall

not excuse the Client from fees and costs incurred in the collection of any outstanding accounts receivable.

Our firm has always operated on the basis that we will deliver the best possible services in a timely fashion and at a reasonable price. In return, we request that upon receipt of our statements, you review the statement to determine if you have any questions or comments regarding them. If so, please call me directly. Furthermore, we reserve the right to withdraw as your Consultant if you fail to pay our statements and other bills in a timely manner.

If Consultant is requested by Client, or if as a consequence of an assignment Consultant is required by judicial or administrative process, to participate, appear, or testify in anticipation of, or during legal or dispute resolution proceedings of any kind during the period Consultant is providing services or thereafter, Consultant will reasonably comply with any such request or requirement based on advice of legal counsel. In the event that Consultant does so participate in any manner, the Client shall pay to Consultant all professional fees and other fees of Consultant in effect as well as the cost and expenses, including attorneys' fees, incurred in anticipation and resulting from such proceedings. These fees and expenses are in addition to any fees paid or owed for services performed or to be performed.

Any controversy or claim arising out of or relating to this Agreement, its validity, or the breach thereof, shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA). A single neutral arbitrator shall be appointed in accordance with the AAA Rules to resolve the dispute.

The arbitrator shall be an attorney who is knowledgeable in business and labor laws, and who is experienced in labor relations and union organizing activities involving employers. The arbitration hearing shall be held in Orange County, California. This contract shall be interpreted and governed by the laws of the State of California. The arbitrator shall award to the prevailing party all its costs and fees, including AAA filing and administrative fees and attorneys' fees.

Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Should any party refuse to arbitrate or file a court action regarding a claim, which is subject to arbitration under this Agreement, the other party shall be entitled to recover its costs and reasonable attorneys' fees in enforcing this arbitration agreement in court.

During the course of our representation, we will endeavor to keep you fully advised as to the status and progress of this matter, including our view of your rights and potential liabilities or exposure, and our recommendation as to an appropriate course of action in view of the facts, circumstances and issues involved.

CRC Health Group
June 3, 2013
Page 3

However, we must emphasize that our firm has not made, and cannot make any representations or guarantees regarding the successful outcome of any matter or the actual amount of any fees or costs you will incur. Often, the results in a matter, and the costs and expenses are controlled by external factors beyond our control, including the factual circumstances, course of the campaign or negotiations, etc.

We will send copies of all substantive correspondence and other documents generated during this project, and I ask that you call me at any time should you wish to discuss our invoices, or any other aspect of this matter.

If the terms and conditions of this letter are satisfactory to you, please evidence your consent to such terms and conditions by signing this letter and returning it to me by e-mail or fax at (818) 999-5630.

This is a final agreement and this agreement supersedes any other oral or written representations by either the Client or Consultant.

We very much appreciate the opportunity to work for you again. We will provide you with our best professional efforts as we endeavor to help you achieve a successful outcome on this project.

Respectfully,

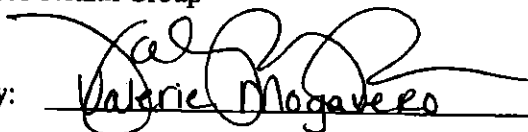
Michael Dana Penn

Michael Dana Penn
Partner

The foregoing fee agreement letter has been read and its terms are hereby agreed to and accepted this 3rd day of June, 2013.

CRC Health Group

By:


Valerie Mogavero

Title: VP, HR Operations

Date:

6/4/13