

FORM LM-20

AGREEMENT AND ACTIVITIES REPORT

Form approved
Office of Management
and Budget
No. 1245-0003
Expires 08-31-2016

For Official Use Only

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)

576260

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

1. File Number: C- 65802

Person Filing

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

Name

Title

Organization International Labor Relations

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

Street 8086 South Yale Ave suite 225

City Tulsa

State Oklahoma

ZIP Code + 4 74136

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

Organization ONTRAC

Trade Name, if any

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

Street 829 Smithway Street

City Commerce

State California

ZIP Code + 4 90040

7. Date entered into:

9 / 8 / 2014

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

Name Rick Chase

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

Title President

President
(If other title, see
instructions)

14. Signed

Title Treasurer

Treasurer
(If other title, see
instructions)

On 10/05/2014 800-555-7509

Date

Telephone Number

On 10/05/2014 800-555-7509

Date

Telephone Number

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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.):

see attached agreement

Specific Activities to be Performed

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

a. Nature of activity:

Engaged to communicate with employees so they can make an informed decision regarding exercising their rights to organize and bargain collectively.

11.b. Period during which performed:

Beginning on or about 09/26/2014

11.c. Extent performed:

Ongoing

11.d. Name and address through whom performed:

Name Jose

Agraz

Organization

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

Street 4010 Ivey Vista Way

City Oceanside

State California

ZIP Code +4 92057

Additional Name and address through whom performed, if any:

Name

Organization CRS Labor Relations Solution, LLC

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

Street 1500 E. Katella Ave, Suite M

City Orange

State California

ZIP Code +4 92867

12.a. Identify subject groups of employees:

All employees eligible to vote in the bargaining unit

12.b. Identify subject labor organizations:

The International Brotherhood of Teamsters Local Union No. 63

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Specific Activities to be Performed (Continuation Page)	
<p>11. For each activity, separately list in detail the information required (See instructions):</p> <p>a. Nature of activity:</p> <p>Engaged to communicate with employees so they can make an informed decision regarding exercising their rights to organize and bargain collectively.</p>	
<p>11.b. Period during which performed:</p> <p>Beginning on or about 09/26/2014</p>	<p>11.c. Extent performed:</p> <p>Ongoing</p>
<p>11.d. Name and address through whom performed:</p> <p>Name Simon Jara</p> <p>Organization</p> <p>P.O. Box, Bldg., Room No., if any</p> <p>Street 10380 Rochelle Ave</p> <p>City Santee</p> <p>State California ZIP Code + 4 92071</p>	<p>Additional Name and address through whom performed, if any:</p> <p>Name Estevan Jara</p> <p>Organization</p> <p>P.O. Box, Bldg., Room No., if any</p> <p>Street 10380 Rochelle Ave</p> <p>City Santee</p> <p>State California ZIP Code + 4 92071</p>
<p>Additional Name and address through whom performed, if any:</p> <p>Name James Teague</p> <p>Organization</p> <p>P.O. Box, Bldg., Room No., if any</p> <p>Street 8086 S. Yale Ave Suite 225</p> <p>City Tulsa</p> <p>State Oklahoma ZIP Code + 4 74136</p>	<p>Additional Name and address through whom performed, if any:</p> <p>Name</p> <p>Organization</p> <p>P.O. Box, Bldg., Room No., if any</p> <p>Street</p> <p>City</p> <p>State ZIP Code + 4</p>
<p>12.a. Identify subject groups of employees:</p> <p>All employees eligible to vote in the bargaining unit</p>	<p>12.b. Identify subject labor organizations:</p> <p>The International Brotherhood of Teamsters Local Union No. 63</p>



International Labor Relations

Hawaii ✧ Los Angeles ✧ San Francisco ✧ San Diego ✧ Tulsa ✧ Chicago ✧ New York ✧ Guam

Date: September 8, 2014

Via Email: rchase@ontrac.com

Campaign Consulting

Rick Chase
V.P. and Chief Admin Officer
OnTrac
829 Smithway Street
Commerce, CA 90040
323-725-2100

International Labor Relations

Corporate Headquarters
8086 South Yale Avenue Suite 225
Tulsa, OK 74136

Toll Free: (800) 555-7509
Direct: (918) 633-6640

RE: OnTrac ~ Campaign Consulting
Petition #21-RC-135429 filed on August 26, 2014 by the International
Brotherhood of Teamsters Local Union No. 63

SITUATION ASSESSMENT:

This Engagement Letter outlines the terms of complete and comprehensive Consulting services to combat the organizing drive launched against OnTrac, or "Company". The International Brotherhood of Teamsters Local Union No. 63, the "Union", has presumably more than 50% of the unit who have signed Authorization Cards purporting to authorize the Union to act as their exclusive representative for collective bargaining wages, hours and working conditions.

Petition #21-RC-135429 dated August 26, 2014, has been filed with the NLRB Regional Director requesting that a vote be scheduled on the merits of the petition and an election is forthcoming.

A systematic, organized counter-campaign will be implemented to secure an election win. All executives, managers and supervisors must be thoroughly trained in best practices in alignment with NLRB rules and regulations. *Time is of the essence in commencing work on behalf of the Company. Any delay is injurious to the Company's chances of successfully winning the election.*

OBJECTIVES:



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☼ Our objectives for this campaign include conducting a thorough assessment as to the local management and conditions that led to the organizing effort.

☼ Training local management in the operation of the National Labor Relations Act including formation of the Company's Union-free philosophy statement, the enforcement of no-solicitation, no-distribution policies, a full understanding of the actual Union Organizing Plan, and an understanding of the use and misuse of Union Authorization Cards.

☼ Management's knowledge of what they can say during the Union campaign including disadvantages of Union representation from the viewpoint of the Company Services and the Company employees. A thorough understanding of the facts involving collective bargaining, strikes, Union fines against members, and obligations owed by employees to the Union.

☼ An understanding of what the supervisor can do during the organizing campaign. A thorough understanding of the TIPS rules including common questions that employees ask supervisors during a campaign and desired responses.

☼ Supervisor/employee role-playing scenarios involving common situations that occur during Union organizing campaigns.

☼ Development of a campaign calendar that outlines what should happen in countering the Union organizing effort on a daily basis. This includes development of management and supervisor speeches and talks, hand-outs that can be utilized, posters that can be posted, and legally compliant anti-Union material that can be distributed to all eligible voters.

☼ Systematic captive audience meetings with all supervisors and voting employees on a weekly basis, with distribution of appropriate handouts in English or any other applicable language.



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MEASURES OF SUCCESS:

- ☼ Our metrics will include obtaining the most effective and appropriate bargaining unit and election scenario that improves the likelihood of an effective winning campaign.
- ☼ Winning the election while avoiding all unfair labor practice charges.

VALUE TO THE ORGANIZATION:

- ☼ The value to the organization will include permitting the Company to continue to operate without the necessity of bargaining with the Union over wages, benefits, hours and working conditions.
- ☼ Proactively identifying those factors and conditions by department that contribute to low employee morale and disaffection.
- ☼ One-on-one discussions with each manager and supervisor to localize issues that demand attention and possible correction during the election and following the election. Reporting to senior management about the strengths and weaknesses in the organization that require immediate intervention and corrective action to minimize the likelihood of future Union encroachment.

TERMS AND CONDITIONS:

Fees: The fee for a Partial Guarantee Win is a retainer of \$30,000.00 for two (2) Campaign Consultants (plus expenses and travel days) for up to 15 days, plus a performance bonus of \$30,000.00 in the event of a petition withdrawal prior to the election or a win on the date of the election. Thus, the Partial Guarantee Project Price is \$60,000.00 upon a win or union petition withdrawal (plus expenses and travel days), with half the project price, \$30,000.00 at risk to International Labor Relations.

This agreement includes two (2) Consultants for up to 15 days of Campaign Consulting including travel days. Should additional days of Management Consulting be requested by the Company, it is understood those additional calendar days plus travel days will be billed at \$2,000.00 per day per Consultant and are not subject to the partial guarantee. For purposes of this



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proposal/letter of engagement a consulting day means each calendar day worked and travel days by each additional individual Consultant.

This agreement covers 15 days of consulting up to and including the initial election dates directed or stipulated to by the Company and the Union. For purposes of this agreement, an 'election win' is defined as a withdrawal of the petition or a win at the ballot box. An election loss is defined as a certification by the NLRB that the Union was selected as representative of your employees.

Should additional days of Management Consulting, extending beyond the initial 15 days, be requested by the Company, it is understood those additional calendar days will be billed at our customary rate of \$2,000.00 per day including travel days. For purposes of this proposal a consulting day means each calendar day worked.

In the event NLRB Representation is required and assigned to an International Labor Relations Consultant, NLRB Representation shall be billed at \$375 per hour off site or \$3000.00 per day including travel days for on site NLRB Representation.

In the event that Public Relations and Media Management is required and assigned to an International Labor Relations Consultant, Public Relations and Media Management Consulting will be billed at \$375 per hour off site or \$3000.00 per calendar day including travel days for on site Public Relations and Media Management Representation.

Company shall provide air travel, rental car, hotel accommodations, meals, and reasonable business expenses as set forth below to consultants through weekly billing to Company.

Initial Retainer: The initial retainer for Campaign Consulting is \$30,000.00 to be wired to International Labor Relation upon commencement of services.

Payment Terms: Payment of Statement of Services Rendered, to be delivered in an electronic format, is expected within 7 days upon delivery throughout the mutually agreed upon duration for Management Consulting.

Expenses: All airfare, hotel, and rental car expenses will be billed as incurred and are due upon presentation of ongoing Expense Reports and direct billed by the Consultant. All expenses not direct billed by the



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Consultant will be billed on behalf of the Consultant through International Labor Relations and are due upon receipt. Expenses may include unpaid transportation (air, rental car, taxi, parking, etc.), lodging expenses, food, and other reasonable business expenses.

AGREEMENT TERMS:

Copyright: It is further understood that all materials included in or with the above referenced items or programs are fully covered and protected by federal copyright laws. Federal law provides civil and criminal penalties for the unauthorized reproduction, distribution or exhibition of protected products. Criminal copyright infringement is investigated by the FBI and may constitute a felony penalty of up to five years in prison and/or a \$250,000 fine.

U.S. Department of Labor Reporting Requirements: You further acknowledge that no representation by International Labor Relations or its representatives were relied on by you or any member of your Company in entering this agreement, and that this document represents the full understanding of the parties. You acknowledge and agree that we have informed you of the obligation to report any direct persuader activity performed on your behalf to the United States Department of Labor by both our firm and your firm and that failure to timely file these reports can subject your company criminal penalties.

Arbitration: Your payment, in the absence of your signature below, indicates your acceptance of this project and the terms and conditions as stated herein. The parties agree that Oklahoma law governs any dispute between them and to resolve any disputes by arbitration in Tulsa, Oklahoma under the American Arbitration Association rules.



Campaign Consulting

ACCEPTANCE: Your signature below indicates acceptance of the terms and this proposal. In the event this Agreement is unsigned by Company, work commenced by Consultant on behalf of Company shall constitute acceptance by Company of all terms and conditions stated herein.

For Consultant:
International Labor Relations

For Company:
OnTrac

Signature: _____

Printed Name: _____

On this day of: September 8, 2014

Jim Teague

President & CEO

International Labor Relations

Signature: _____

Printed Name: _____

On this day of: _____

Rick Chase

V.P. and Chief Admin Officer

OnTrac