



**Personal & Confidential**

September 14, 2021  
Karen J. Williams, Esq.  
VP, Labor Relations  
AAA-NCNU  
2375 N. Camelback Road, Suite 500  
Phoenix, AZ 85016

**RE: Consulting Services**

Dear Ms. Williams,

We are delighted and honored for the opportunity to assist your organization (the "Company") with its labor and positive employee relations strategy and to educate your employees about the myths and realities of union representation. As we've discussed, unions have been on a steady and rapid decline since the 1950's and are desperately trying to attract new members. Since so few people have experience with unions today it is very easy for employees to be misled by a union sales pitch. Therefore, it is valuable to provide your team with access to a subject matter expert who can help answer questions and dispel common misconceptions about how unions work in real life.

We take our role of responsibly, legally, and respectfully educating and answering questions about unions very seriously. Union campaigns can be highly emotional and disruptive. Our number one priority is to leave your company and your workforce better than how we found it. Since time is of the essence, I want to quickly outline what you can expect from LRI during this engagement:

- We will assign one or more subject matter experts to meet with your managers and employees. All our consultants have years of experience with unions and receive a thorough background check and sign an ethics pledge.
- We will assign a campaign manager who can answer any questions you have and determine how we will coordinate with your legal team – our firm is run by a labor attorney, and we place the highest priority on following all legal requirements.
- Our primary goal is to educate, and we will provide provable and verifiable facts and encourage your employees to decide for themselves whether union representation is right for them – everyone is entitled to their own opinion, and we will treat all your employees with respect, even those who disagree with us.
- We will make sure that your leaders are well trained and understand the rules and legal requirements and we will do our very best to ensure that every employee is able to vote in a free and fair election.
- We will work with your managers to "up their game" as leaders – organizing events are stressful and challenging but we often find that with our guidance, relationships and connections between leaders and their teammates dramatically improve.
- We will be available to you on a 24/7 basis, and you can expect a return call or e-mail within 2 hours of any communication to us.

**Reporting Requirements**

We are required to report any agreement for direct persuasion services to the Department of Labor within 30-days of that agreement, and we will submit a copy of this document with that report. As an employer who has engaged in reportable financial transactions or arrangements, you will be required to file a form LM-10 with the Department of Labor within 90 days after the end of your fiscal year.

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7850 S. Elm Place · Suite E  
Broken Arrow, OK 74011



### **Fees and Billing**

Absent a separate Statement of Work (SOW) for a project we agree to handle expenses and fees incurred as outlined below:

- Actual consulting days performed for the Company (at our customary rates of \$375 per hour for senior consultants and \$500 per hour for Phillip Wilson.
- Meals and incidentals will be billed at the per diem rate of \$65 per day for on-site days and \$50 per day for travel days. A fee of \$1000 will be applied for each consultant to cover travel time to the facility.
- Any other reasonable business expenses spent on your behalf (if any) will be billed at our costs including out of pocket change or service fees for any non-refundable travel.
- All fees are due upon the delivery of the consulting services and are non-refundable and you agree to settle those statements within 14 days.

We will invoice the Company for these fees, and the Company agrees to pay within 30 days following receipt of invoice, absent any unresolved contract or billing issues.

The Company may terminate this engagement with or without cause upon written notice to us (e-mail to suffice). Upon termination for any reason, we agree to promptly deliver to the Company all documents and materials (including electronic materials) containing Company confidential or proprietary information, and we will immediately cease performing any services for the Company.

### **Independent Contractor Status**

It is the express intention of the parties that we will provide services as an independent contractor and not an employee, agent, joint venture or partner of Company. Nothing in this letter shall be interpreted or construed as creating or establishing any relationship to the contrary. Both parties acknowledge that neither LRI Consulting Services, Inc. nor our workers are an employee of the Company for federal and state tax purposes and that we do not have a right to workers' compensation, unemployment, disability, health, retirement benefits, or for any other benefits provided by the Company to its employees. We shall have the right to control and determine the time, place, methods, manner and means of performing the services, subject to the agreed upon details and the Company's reasonable deadlines. We further certify that, separate from this engagement, we customarily engage in an independent trade, business, or occupation of the same nature as the consulting services provided under this letter.

### **Indemnification**

LRI Consulting Services, Inc. agrees to indemnify and hold harmless the Company against any liability, damages, loss or expense (including reasonable attorney fees and expenses of litigation) arising out of claims brought by a third party based on or related to (i) the actions of LRI Consulting Services, Inc. in the performance of this engagement with the Company, or (ii) any services performed or products developed or made under this engagement, to the extent arising from the negligent or intentionally wrongful acts of LRI Consulting Services, Inc. Notwithstanding the foregoing, this indemnification obligation will not extend to defense of an unfair labor practice charge investigated by the NLRB to the extent the charge is not in part based on an LRI Consulting Services, Inc. on-site consultant's unlawful act or statement.

### **Attorney Privilege and Confidentiality**

The parties acknowledge that all our work in relation to labor strategy will be carried out in conjunction with, and often at the direction of, in-house counsel and outside counsel. This includes our engagement, which was carried out at the direction of counsel, and the terms of the engagement, for which counsel was involved in determining. As a result, it is understood that all communications involving LRI (i.e., both from LRI and to LRI)

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are intended to be confidential, and covered by the attorney-client, and/or attorney work product privileges, including but not limited to the terms of this engagement letter. LRI agrees to use best efforts in labelling such communications "Privileged & Confidential: Attorney-Client Communication" or "Privileged & Confidential: Attorney Work Product" wherever feasible, but the absence of such designation does not detract from the intent that all communications from/to LRI, and all analyses or work product by LRI, fall under one of these privileges. The parties agree that any privilege covering this letter is waived for the limited purpose of any dispute between the parties arising and concerning the terms of the engagement, that is to be resolved by arbitration, as described herein.

Further, at all times, both during the term of this engagement and thereafter in perpetuity, we shall keep and hold all Company confidential and proprietary information (including but not limited to information related to Company financial information, business or marketing strategies, personnel files or compensation information, third party information, and technologies, concepts or processes) in strict confidence and trust, and will not disclose any such confidential and proprietary information to any third party whatsoever without the prior written consent of Company, except to our legal counsel or if required by court order from a court of competent jurisdiction, provided that we shall first notify the Company such that the Company has an opportunity to object to such court order. We will not use any such confidential or proprietary information, except as may be necessary in order to perform our services under this engagement. We agree to notify the Company of any unauthorized release or use of Company confidential or proprietary information.

If you have any questions or concerns, please contact me immediately at 918-455-9995. We very much appreciate the opportunity to work for you. You may be assured that you will receive our best efforts. We look forward to the opportunity to meet and educate your team.

Respectfully,

Phillip B. Wilson  
President - General Counsel LRI Consulting Services, Inc.

Contact information:

**Campaign Manager- Executive Vice President:**

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