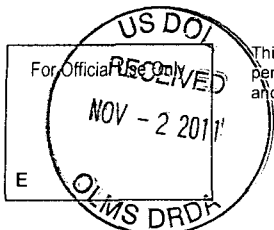


FORM LM-20

AGREEMENT AND ACTIVITIES REPORT



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.

469161

1. File Number: C- 00525

Person Filing

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

Name

Title

Organization LRI Consulting Services Inc

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

Street 7850 South Elm Place, Suite E

City Broken Arrow

State Oklahoma

ZIP Code + 4 74011

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 Reynolds America Inc

Trade Name, if any

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

Street 401 North Main Street

City Winston Salem

State North Carolina

ZIP Code + 4 27101

7. Date entered into:

9 / 23 / 2011

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

Name Bill

Rhue

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

President
(If other title, see
instructions)

Title President

14. Signed

Treasurer
(If other title, see
instructions)

Title Treasurer

On 10/24/2011

Date

918-455-9995

Telephone Number

On 10/24/2011

Date

918-455-9995

Telephone Number

Filer: LRI Consulting Services Inc	File Number C- 00525
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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

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 to employees regarding exercising their rights to organize and bargain collectively.

11.b. Period during which performed: various days beginning 9/24/11	11.c. Extent performed: Fully Performed
11.d. Name and address through whom performed: Name Organization East Coast Labor Relations LLC P.O. Box, Bldg., Room No., if any Street 151 Forge Road City Delran State New Jersey ZIP Code + 4 08075	Additional Name and address through whom performed, if any: Name Organization SEO Solutions LLC P.O. Box, Bldg., Room No., if any Street 4613 E 13th Street City Tulsa State Oklahoma ZIP Code + 4 74112

12.a. Identify subject groups of employees: various employees	12.b. Identify subject labor organizations: Bakery, Confectionery, Tobacco Workers and Grain Millers, Machinists, Machinists and Aerospace Workers
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LRI Consulting Services, Inc.

phone 800-888-9115
fax 918-455-9998

www.LRIonline.com

Proposal

September 27, 2011

Bill Rhue
Director of Workplace Practices
Reynolds America, Inc.
401 North Main Street
Winston Salem, NC 27101

(336) 741-6640
rhueb@rjrt.com

RE: 11-RC-64291

Situation Assessment

You have asked for a proposal to provide materials and consulting services to help you win your upcoming NLRB election. You have a few short weeks to educate your employees on the disadvantages of unions and convince them to put their trust in a direct relationship with you as opposed to an outside third party like the union. You want to make sure that your consulting is persuasive, legally sound and provides the best opportunity to build trust with your employees.

Proposed Intervention(s)

- Campaign Consulting: For this option we will provide expert campaign consulting with two on-site facilitators to communicate your message directly to employees in employee meetings and one-on-one. Our consultants will work with managers and supervisors at your location to increase your own internal capacity for handling employee relations issues after the campaign is over. Based on our joint assessment of the need, we will assign appropriate consulting resources to your campaign for a pre-approved schedule of meetings. This option does not include representation before the NLRB, which would require an additional engagement if desired by the client.

Objectives

- Win the NLRB election by as wide a margin as possible or achieve a withdrawal of the petition, without meritorious election objections or unfair labor practice charges.
- Increase trust and credibility of the current leadership team by improving communication and developing their ability to create a positive employee relations environment.
- Maintaining a direct-relationship at your facility (unionized facilities are less productive and profitable than direct relationship ones – the estimated “dead weight cost” of unionization around 25% more than the cost of operating non-union).

Value to Organization

- You avoid a steep-and-slippy-learning curve and are free to do the most important trust-building work. You can talk to employees without engaging in “mud-slinging” – you are free to spend your time on a positive message about the company.
- Your communication strategy is legally proven and sound. Our communication tools have never been found to be objectionable by the NLRB in thousands of elections.
- You receive a proven program, with over 10,000 successful client engagements.

Terms and Conditions

The fee for the hourly fee consulting is \$375 per hour per consultant (plus travel expenses).

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Forbes



Labor Relations Institute, Inc.

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



LRI Consulting Services, Inc.

phone 800-888-9115
fax 918-455-9998

www.LRIonline.com

Payment Terms

All fees are due upon the delivery of the consulting services and are non-refundable. You will receive regular statements outlining the number of hours expended on your behalf and those statements are due upon receipt. You also agree to coordinate, arrange and pre-pay consultant's airfare, hotel accommodations and, if deemed necessary, a rental car. Any fees and expenses incurred by consultant will be billed to you and you agree to pay those invoices upon receipt and to settle those statements within 7 days and to provide a credit card for us to settle outstanding invoices not paid by that time. You agree and acknowledge that failure to pay fees or expenses associated with this project under these terms will result in reassignment of consultant(s), a penalty of the maximum allowable interest rate per month plus any costs we incur to collect an outstanding balance, until all outstanding invoices are paid in full.

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.

You further acknowledge that no representation by LRI 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 also 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. 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.

Acceptance:

We accept the proposal above and the intervention(s) selected:

_____ Campaign Consulting

For LRI Consulting Services, Inc.

Provel

For Reynolds America, Inc.

Edna M Long, V.P. Workplace Practices

Bill Rhuc, Director of Workplace Practices

Date: *10/4/11*

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