U.S. Department of Labor Office of Labor-Management Standards Washington, DC 20210

FORM LM-20 AGREEMENT AND ACTIVITIES REPORT

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



1. File Number:

C- 65802

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)

576201

READ THE INSTRUCTIONS CAREFULLY BEFORE PREPARING THIS REPORT.

Person Filing					
Name and mailing address (include ZIP Code):		3. Any other address where records necessary to verify this report are kept:			
Name		Name			
Title			Title		
Organization International Labor Relations			Organization		
P.O. Box, Bldg., Room No., if any			P.O. Box, Bldg., Room No., if any		
Street 8086 South Yale Ave suite 225			Street		
City Tulsa		City			
State Oklahoma ZIP Code + 4 74136		State ZIP Code + 4			
4. Date fiscal year ends: Dec / 31					
Nature of Agreement or Arrangement	nt				
6. Full name and address of employer v	with whom made (include ZIP Code):	7. Date ent	ered into: 7	/ 17 / 201	4
Name		8 Name of	person(s) through who	om made	
Organization Petro Star		Name Don Castle			
Trade Name, if any					
P.O. Box, Bldg., Room No., if any		Name			
Street 3900 C. St #802		Name			
City Anchorage		Name			
State Alaska	ZIP Code + 4 99503	Name			
	Signa	itures			
the information contained in any accor	der penalty of perjury and other applicable inpanying documents) has been examined ion VII on penalties in the instructions.) President (If other title, see instructions)				
On 08/15/2014 80	0-555-7509	On	08/15/2014	800-555-7509	
Date	Telephone Number		Date	Telephone Number	

Filer: International Labor Relations	File Number C- 6580	02		
9. Check the appropriate box to indicate whether an object of the activities undertaken, is directly or indirectly: Output				
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 instruct	ons):			
a. Nature of activity:				
Engaged to communicate with employees so they can make an informed decision reguarding exercising their rights to organize and bargin collectively.				
11.b. Period during which performed: Beginning on or about 08/11/2014	11.c. Extent performed: Ongoing			
11.d. Name and address through whom performed:	Additional Name and address through whom perform	ned, if any:		
Name Eric Grumbrecht	Name			
Organization	Organization			
P.O. Box, Bldg., Room No., if any	P.O. Box, Bldg., Room No., if any			
Street 200 Lago Cir #201	Street			
City Melbourne	City			

State

12.b. Identify subject labor organizations:

IBU / ILWU International

ZIP Code + 4

ZIP Code + 4 32904

State Florida

unit

12.a. Identify subject groups of employees:

All employees eligible to vote in the bargaining

Specific Activities to be Performed (Continuation Page)

- 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 reguarding exercising their rights to organize and bargin collectively.

		,		
11.b. Period during which		11.c. Extent performed:		
Beginning on	or about 09/26/2014	Ongoing		
11.d. Name and address	through whom performed:	Additional Name and addres	ss through whom performed, if any:	
Name		Name		
Organization		Organization		
P.O. Box, Bldg., Room No	o., if any	P.O. Box, Bldg., Room No.,	if any	
Street		Street		
City		City		
State	ZIP Code + 4	State	ZIP Code + 4	
Additional Name and address through whom performed, if any:		Additional Name and address through whom performed, if any:		
Name		Name	•	
Organization		Organization		
P.O. Box, Bldg., Room No., if any		P.O. Box, Bldg., Room No., if any		
Street		Street		
City		City		
State	ZIP Code + 4	State	ZIP Code + 4	
12.a. Identify subject groups of employees:		12.b. Identify subject labor	organizations:	
All employees eligible to vote in the bargaining unit				

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Campaign Consulting

International Labor Relations

Corporate Headquarters 8086 South Yale Avenuo Suite 225 Tulco, OK 74136

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

Date: July 17, 2014

Via Email: MKLlughee@petro_star.com-

DJ CASTLE & PETROSTAR. COA

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CASTLE

Director of North Pacific Fuel Operations V. P. SALES 4 OPERATIONS

Petro Star Inc.

5470 Shilshole Ave. NW. #600

3900 C ST. #802

Seattle: WA-98107

(206) 297-3835- Office (206) 948-1055 - Cell

ANCHORAGE, AK 99503 907-339-6619 - DIRECT

907 - 227-2780- CEU

RE: Dutch Harbor Alaska Operations ~ Campaign Consulting

SITUATION ASSESSMENT:

This Engagement Letter outlines the terms of complete and comprehensive consulting services to combat the organizing drive launched against Petro Star, Dutch Harbor, Alaska Operations, or "Company". 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.

A petition 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 what can be said and not said during a campaign to avoid unfair labor practice charges that could void or reverse a positive election outcome.

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.

Page | 1 of 5

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OBJECTIVES:

- Now 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, handouts 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:

- 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.
- Mean-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 \$25,000.00 for one (1) Campaign Consultant (plus expenses and travel days) for up to 25 days, plus a performance bonus of \$25,000.00 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 \$50,000.00 upon a win or union petition withdrawal (plus expenses and travel days), with half the project price, \$25,000.00 at risk to International Labor Relations.

This agreement includes one (1) Consultant for up to 25 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 \$2000.00 per day per Consultant and are not subject to the partial guarantee. For purposes of this proposal/letter of engagement a consulting day means each calendar day worked and travel days by each additional individual Consultant.

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This agreement covers 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.

Company shall provide air travel, rental car, hotel accommodations, meals, and reasonable business expenses as set forth below to Consultants through direct billing to Company and are not subject to the guarantee.

PAYMENT TERMS:

Initial Retainer: A \$25,000.00 retainer is required upon commencement of services.

Payment of Consultant Advanced Expenses, additional Management Consulting days, and travel days to be delivered in an electronic format, is expected upon delivery throughout the campaign for additional Management Consulting.

Expenses: All airfare, hotel, and rental car will be direct billed and paid for by the Company. Non-direct billed expenses will be billed as incurred by International Labor Relations and are due upon presentation of Expense Reports. Expenses may include unpaid transportation (air, rental car, taxi, parking, etc.), lodging expenses, food, and other reasonable business expenses.

Performance Bonus: In the event the Union withdraws its Petition prior to the election or receives less than a majority of the votes on the date of the election, International Labor Relations will receive a performance bonus of \$25,000.00 within seven days of the petition withdrawal or the election win.

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.

Page 4 of 5	Initial
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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:

Commencement of services, 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: 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: Petro Star Inc.

Signature.

Printed Name: 134.56

On this day of: <u>July 17, 2014</u> Jim Teague President & CEO

International Labor Relations

Signature:

Printed Name: _

On this day of: $\frac{7/23}{}$

Mark Hughes (Hugo) Don Castly

Director of North Pacific Fuel Operations

Petro Star Inc.

V.P. SALES + OPS

Page | 5 of 5

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