

# 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.**

525631

1. File Number: C- 00525

<b>Person Filing</b>	
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. <input type="checkbox"/> Individual b. <input type="checkbox"/> Partnership c. <input checked="" type="checkbox"/> Corporation d. <input type="checkbox"/> Other (Specify):

<b>Nature of Agreement or Arrangement</b>	
6. Full name and address of employer with whom made (include ZIP Code):  Name:  Organization Delhaize Group  Trade Name, if any Hannaford Brothers Company  P.O. Box, Bldg., Room No., if any:  Street 970 U.S. 9  City Schodack Landing  State New York ZIP Code + 4 12156	7. Date entered into: 1 / 28 / 2013  8. Name of person(s) through whom made:  Name Anne Cunningham  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 <u>President</u>	14. Signed Title <u>Treasurer</u>
On <u>3/27/2013</u> <u>918-455-9995</u> Date Telephone Number	On <u>3/27/2013</u> <u>918-455-9995</u> 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.):

See attached.

**Specific Activities to be Performed**

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

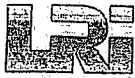
a. Nature of activity:

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

11.b. Period during which performed: various days beginning 1/28/2013	11.c. Extent performed: Fully Performed
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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 Hampshire 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
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12.a. Identify subject groups of employees: Production, maintenance, and sanitation employees	12.b. Identify subject labor organizations: Food & Commercial Workers
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LRI Consulting Services, Inc.

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

www.LRIonline.com

### Proposal

January 28, 2013

Michelle Hoffman, Regional Director  
Hannaford Brothers Company  
970 U.S. 9  
Schodack Landing, NY 12156

518-766-2912  
MichelleHoffman@Hannaford.com

RE: Petition 3-RC-96567

### 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 an on-site facilitator to communicate your message directly to employees in employee meetings and one-on-one. Our consultant 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;
- Maintain a direct-relationship at your facility (a unionized facility is normally less productive and profitable than a direct relationship one - most estimates place the "dead weight cost" of unionization around 25% more than the cost of operating non-union).

### Value to Organization

- You avoid a steep and slippery 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.

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### Terms and Conditions

The fee for the Partially Guaranteed Option is a project price of \$155,000 (plus expenses) which assumes approximately 50 days of consulting. Should additional days of consulting be requested by the client it is understood those additional days will be billed at our customary rate of \$3,000 per day and added to the project price. This fee includes a nonrefundable \$5,000 communication tools fee for videos, data and other support materials. \$75,000 of the fee is an incentive fee guaranteeing an election win. This agreement covers consulting up to and including the initial election date (February 28, 2013) 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, and an election loss is defined as a certification by the NLRB that the union was selected as representative of your employees. Should the election date be extended beyond this date for any reason whatsoever, the parties agree to enter into another agreement for additional consulting or to pay for additional consulting days at our customary rate of \$3,000 per consultant per day. Should the client fail to schedule additional consulting days on a mutually agreeable schedule the parties understand and agree that the initial retainer fee shall become nonrefundable and due to LRI. Travel expenses and any additional consulting days beyond the election date in this agreement will be billed separately and are not subject to the guarantee. For purposes of this proposal a consulting day means each calendar day worked by each consultant. If more than one consultant is working on your case the parties understand and agree that multiple consulting days may be worked on each calendar day.

### Payment Terms

For the Partially Guaranteed Option we require a 50% retainer due upon acceptance of the proposal. We will apply that retainer to the project price. Based on the vote count and in the event of a "win," you agree to pay the balance of the project price within 7 days of the NLRB election. Should your company lose the NLRB election, you will not owe the remainder of the project price, however you will still be obligated to pay any reasonable travel expenses incurred by the consultant. Any expenses incurred by consultant will be billed to you and are due upon receipt and you agree to settle those statements within 7 days. 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.

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**Acceptance**

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

*KSC* Campaign Consulting

For LRI Consulting Services, Inc.

Phillip B. Wilson, President/General Counsel

Date: January 28, 2013

For Hannaford Brothers Company

Anne Cunningham, Senior Corporate Counsel  
Michelle Hoffman, Regional Director

Date: 1-29-2013

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Labor Relations Institute, Inc.

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



**Addendum to  
LRI Partial Guarantee Proposal dated January 28, 2013**

This Addendum is entered into this 29th day of January, 2013 (the "Addendum Effective Date"), by and between Labor Relations Institute, Inc. ("LRI") and Hannaford Bros. Co. ("Client") and is attached to and made a part of a certain Proposal from LRI to Client of even date herewith (the "Agreement"). Client's acceptance of the Agreement is conditioned upon LRI's acceptance of this Addendum.

WHEREAS, LRI shall provide certain consulting services pursuant to the Agreement (the "Services"); and

WHEREAS, the parties desire to add or amend certain standard terms and conditions with respect to the provision of such Services.

NOW THEREFORE, in consideration of the mutual covenants and agreements in the Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Client and LRI agree as follows:

1. Capitalized terms used but not defined in this Addendum have the meaning set forth in the Agreement.
2. The Payment Terms section of the Agreement shall be amended to provide for payment of invoices within thirty (30) days rather than seven (7) days.
3. The last sentence of the Payment Terms section of the Agreement is hereby deleted and replaced by the following:

This Agreement shall be governed by the laws of the State of New York, without regard to the conflicts of law principles thereof. Each party hereby submits to the exclusive jurisdiction of the federal or state courts of the State of New York, and waives any objection to improper venue or forum non conveniences with respect to actions brought in such courts. The parties agree that arbitration will not be a form of dispute resolution. If the parties are unable to resolve a dispute arising out of or relating to this Agreement or any agreements relating hereto, including a claim based on or arising from an alleged tort, through good faith negotiation, then either party may request that such dispute be referred to non-binding mediation before a mediator acceptable to both sides, provided, however, a dispute relating to infringement of intellectual property rights or confidentiality shall not be subject to this Section.

4. The following additional paragraphs are hereby inserted at the end of the Payment Terms section and before the Acceptance section:

LRI agrees to comply with any and all laws, ordinances, statutes, rules, and regulations of any federal, state, or local governmental body or unit including but not limited to Department of Labor regulations, and all OSHA laws and regulations, and to any requirements established by any federal or state regulatory agency with respect to LRI's business activities (collectively, "Applicable Laws").

The parties agree and acknowledge that unions regularly file unfair labor practices as part of their campaign strategy to delay an election or harass an employer and that, in most cases, these charges are dismissed after investigation by the NLRB. For this reason the client agrees that it will have responsibility for all costs and fees associated with defending all unfair labor

practice charges that are investigated by the NLRB in relation to the engagement covered by this agreement. Notwithstanding the foregoing, the parties agree that should the NLRB issue an unfair labor practice complaint that alleges a specific unlawful action or statement of an LRI on-site consultant (as opposed to a statement or action made by an employee or agent of the client) and the NLRB states in a final ruling that an LRI on-site consultant's act or statement was the basis for an unfair labor practice then the parties agree that LRI shall have an obligation to indemnify and hold harmless the client for the actual legal fees incurred by client for the specific allegation of an improper act or statement from an LRI on-site consultant. LRI agrees to assist the client with any investigation of unfair labor practice(s) filed in connection with this engagement but the client acknowledges that any costs or fees associated with the investigation or possible settlement of unfair labor practices (except for the indemnification obligations as described above) shall be the sole responsibility of the client and shall not be the responsibility of LRI.

Except as outlined above, LRI shall indemnify, defend, and hold harmless Client and its officers, directors, employees, representatives, agents, contractors, successors and permitted assigns ("Client Indemnitees") from and against any and all claims, losses, liabilities, penalties, fines, expenses, damages, judgments, settlements and other costs, including reasonable attorneys' fees, incurred by Client Indemnitees ("Damages"), which arise out of or relate to: (a) any act or omission by LRI, its employees, representatives or any subcontractor, other than in accordance with this Agreement; (b) any alleged violation of Applicable Law; and (c) any claim or threatened claim arising from or alleging infringement of any United States patent, trademark or copyright of any third party by materials furnished under this Agreement.

LRI shall maintain at no additional cost to Client, in a reasonably accessible location, all records pertaining to the materials and services provided to Client under this Agreement for a period of five (5) years or as required by law, if longer. LRI will provide reasonable access to Client federal and state governmental regulators (to the extent required by law), at Client expense; to Client records held by LRI and to the procedures and facilities of LRI relating to the services provided under this Agreement, to the extent permitted by law. LRI will give prior notice to Client of requests by federal and/or state authorities to examine LRI's Client records. At Client written request, LRI shall reasonably cooperate with Client in seeking a protective order with respect to such records.

The parties are independent contractors. Nothing in this Agreement or in the activities contemplated by the parties hereunder shall be deemed to create an agency, partnership, employment or joint venture relationship between the parties or any of their subcontractors or representatives.

The Proposal, the Addendum, schedules and any other documents incorporated herein and therein, is the final, full and exclusive expression of the agreement of the parties and supersedes all prior agreements, understandings, writings, proposals, representations and communications, oral or written, of either party with respect to the subject matter hereof and the transactions contemplated hereby. No amendments of any provision of this Agreement shall be valid unless made by an instrument in writing signed by both parties, specifically referencing this Agreement.

5. An additional section titled "Confidentiality" is hereby inserted, reading as follows:

#### CONFIDENTIALITY

As used herein, "Confidential Information" means all communications, documents and other information, whether in written, oral, electronic, or other form, which one party furnishes or otherwise discloses to the other party in connection with the business relationship between LRI and Client, including, but not limited to, the existence and terms of this Agreement, the existence

of discussions between Client and LRI, market research and analysis, costs; Client and LRI lists, strategies, know-how, data, methodologies, concepts, tools and all other information disclosed by Client or LRI. Any Confidential Information supplied by either party to the other party prior to the execution of this Agreement shall be considered in the same manner and be subject to the same treatment as the Confidential Information made available after the execution of this Agreement.

Each of the parties, as Recipient, hereby agrees on behalf of itself and its employees, officers, affiliates and subcontractors that Confidential Information will not be disclosed or made available to any person for any reason whatsoever, other than on a "need to know basis" and then only to: (a) its employees and officers; (b) other third parties specifically permitted under this Agreement, provided that all such persons are subject to a confidentiality agreement which shall be no less restrictive than the provisions of this Section; (c) independent contractors, agents, and consultants hired or engaged by Client, provided that all such persons are subject to a confidentiality agreement which shall be no less restrictive than the provisions of this Section; and (d) as required by law or as otherwise permitted by this Agreement, either during the term of this Agreement or after the termination of this Agreement.

If Recipient is legally compelled by any means (including deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose Confidential Information, Recipient must make reasonable efforts to provide Discloser with prompt notice of such legal requirement prior to disclosure so that Provider may seek a protective order or other appropriate remedy and cooperate with the Discloser's reasonable, lawful efforts to resist, limit or delay disclosure. If such protective order or other remedy is not obtained, Recipient will (a) furnish only that portion of the Confidential Information that it is legally required to furnish and, (b) at the request of Provider, use reasonable efforts to ensure that the party compelling disclosure of the Confidential Information will preserve its confidentiality.

Upon the termination or expiration of this Agreement, or at any time upon the request of Client, LRI shall return all Confidential Information, including Client Information, in the possession of LRI or in the possession of any third party over which LRI has or may exercise control.

If, in the course of performing Services hereunder, LRI will collect, process, use, store, disclose, access or dispose of Personal Information for or on behalf of Client, or if LRI will have access to Client's information technology systems that use, process or store Personal Information, then, in addition to the obligations of confidentiality set forth in this Section, LRI shall execute and deliver to Client a Service Provider Privacy, Confidentiality and Information Security Addendum, which shall become a part of this Agreement.

With the exception of the obligations related to Personal Information, if any, the obligations of confidentiality in this Section shall not apply to any information which a party rightfully has in its possession when disclosed to it by the other party, information which a party independently develops, information which is or becomes known to the public other than by breach of this Section or information rightfully received by a party from a third party without the obligation of confidentiality.

All media releases, public announcements and public disclosures by either party, or their representatives, employees or agents, relating to this Agreement or the name or logo of Client, any Client affiliate or LRI, including, without limitation, promotional or marketing material, but not including any disclosure required by legal, accounting or regulatory requirements beyond the reasonable control of the releasing party, shall be coordinated with and approved by the other party in writing prior to the release thereof.

The parties acknowledge and agree that the disclosures to the Department of Labor described in the Proposal do not violate the confidentiality provisions above.




6. Except as specifically amended herein, the terms and conditions of the Agreement remain unchanged and in full force and effect.
7. This Addendum may be executed by the parties in one or more counterparts. Each counterpart, when so executed, shall be an original but all such counterparts shall constitute one and the same instrument. A signed counterpart transmitted electronically shall be deemed an original for all purposes

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed, as of the day and year first written above.

By execution, signer certifies that signer is duly authorized to execute this Addendum on behalf of LRI.

LABOR RELATIONS INSTITUTE, INC.


By:   
(Authorized Signature)

PHILLIP WILSON  
(Print or Type Name)

PRESIDENT  
(Title)

By execution, signer certifies that signer is duly authorized to execute this Addendum on behalf of Client.

HANNAFORD BROS. CO.

By:   
(Authorized Signature)

Anne Cunningham  
(Print or Type Name)

Senior Corporate Counsel  
(Title)