

## SETTLEMENT AGREEMENT

This settlement agreement is entered into by Jeffrey A. Mangan, in his official capacity as the current Montana Commissioner of Political Practices (hereinafter "the Commissioner") and the following party: RAI Services Company (hereinafter "the Respondent").

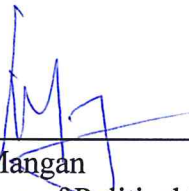
Montana law authorizes the Commissioner to file an action in district court in order to seek a civil penalty for violation of Montana's campaign finance and practices laws and rules, §§13-37-124 and 13-37-128 Mont. Code Ann. In order to avoid litigation, the Commissioner and the Respondent enter into this agreement to resolve this matter.

1. The Commissioner acknowledges that a Campaign Finance and Practices Complaint was filed against the Respondents for violation of Montana's campaign finance and practices laws on June 4, 2018.
2. On September 5, 2018 the Commissioner issued a Summary of Facts and Finding of Sufficient Evidence to Show a Violation of Montana's Campaign Practices Act, the Commissioner's cause number COPP-2018-CFP-016A (hereinafter "the Decision"). The Decision determined that the Respondent failed to comply with certain campaign finance and practices laws and administrative regulations.
3. The Respondent acknowledges that they have read and understand the Commissioner's decision issued in the above referenced cause.
4. Based on its reading of the law, the Respondent registered as an incidental political committee within five days of engaging in a public communication to oppose a Montana ballot issue. The Respondent understands that the Commissioner determined the law requires registration within five days of making an expenditure to engage in the ballot issue.
5. For the purpose of settling this matter and to avoid the expense of litigation, Respondent agrees not to further contest the Commission's proceedings concerning enforcement of Montana's Campaign Finance and Practice Laws including:
  - a) failure to timely register as an incidental political committee, Mont. Code Ann. § 13-37-201.
6. Commissioner acknowledges that the Respondent has made substantial efforts to comply with Montana's Campaign Finance and Practices Laws, has been in regular contact with the Commissioner concerning disclosure obligations, and has fully complied with all requests for information concerning this matter.
7. The Commissioner and the Respondent agree that execution of this settlement agreement by both parties, and a payment of a civil fine in the amount of \$100.00 by the Respondent, fully and finally resolves all of the issues as set forth in the Decision.

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8. Simultaneously with the return of the executed settlement agreement the Respondent will remit to the Commissioner \$100.00, on a check made out to:  
"Commissioner of Political Practices" and mailed to the Office of the Commissioner of Political Practices, 1209 8th Avenue, P.O. Box 202401, Helena, Montana, 59620.
9. In consideration of payment of the civil fine referenced above, the Commissioner agrees not to pursue any further administrative or court proceedings against the Respondent or other persons that may be named or unnamed in the Decision, based on the matters discussed in the Decision and in this Settlement Agreement.
10. The Respondent enters into this agreement to avoid litigation and to resolve and settle this dispute with the Commissioner. It is understood and agreed that the payment of the civil fine referenced above, and execution of this settlement agreement by the Respondent are accepted as the sole consideration for full satisfaction and compromise of what may be disputed claims.
11. The Commissioner and the Respondent fully and forever release and discharge each other and their respective officials, officers, members, employees, successors, assigns, agents, ostensible agents, attorneys, and representatives from any and all actions, claims, causes of action, demands, expenses, damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the matters investigated by the Commissioner and summarized in the Decision and in this Settlement Agreement.
12. The Commissioner and the Respondent agree that the executed Settlement Agreement is a public document and will be made available to members of the public.
13. This settlement agreement, consisting of 2 pages, sets forth the entire agreement that has been reached between the Commissioner and the Respondent. No modification or amendment of this agreement will be effective unless both parties complete a subsequent written statement that is signed by both parties.

  
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Jeffrey A. Mangan  
Commissioner of Political Practices

11-27-18  
\_\_\_\_\_  
Dated

  
\_\_\_\_\_  
For RAI Services Company

NOVEMBER 19, 2018  
\_\_\_\_\_  
Dated

## SETTLEMENT AGREEMENT

This settlement agreement is entered into by Jeffrey A. Mangan, in his official capacity as the current Montana Commissioner of Political Practices (hereinafter "the Commissioner") and the following party: Altria Client Services LLC (hereinafter "the Respondent").

Montana law authorizes the Commissioner to file an action in district court in order to seek a civil penalty for violation of Montana's campaign finance and practices laws and rules, §§13-37-124 and 13-37-128 Mont. Code Ann. In order to avoid litigation, the Commissioner and the Respondent enter into this agreement to resolve this matter.

1. The Commissioner acknowledges that a Campaign Finance and Practices Complaint was filed against the Respondents for violation of Montana's campaign finance and practices laws on June 4, 2018.
2. On September 5, 2018 the Commissioner issued a Summary of Facts and Finding of Sufficient Evidence to Show a Violation of Montana's Campaign Practices Act, the Commissioner's cause number COPP-2018-CFP-016A (hereinafter "the Decision"). The Decision determined that the Respondent failed to comply with certain campaign finance and practices laws and administrative regulations.
3. The Respondent acknowledges that they have read and understand the Commissioner's decision issued in the above referenced cause.
4. Based on its reading of the law, the Respondent registered as an incidental political committee within five days of engaging in a public communication to oppose a Montana ballot issue. The Respondent understands that the Commissioner determined the law requires registration within five days of making an expenditure to engage in the ballot issue.
5. The Respondent also contends that the amount of travel-related expenses pertaining to such public communications, \$3,658.89, was disclosed on the July 2, 2018 report, which captured activity totaling \$592,299.21. In consultation with the Commissioner, Respondent now understands that travel-related expenses should be separately called out on future filings instead of being included in a lump sum amount, as occurred on the July 2, 2018 report. Respondent agrees to detail any employee travel expenses as a separate category in all future reports.
6. For the purpose of settling this matter and to avoid the expense of litigation, Respondent agrees not to further contest the Commissioner's proceedings concerning enforcement of Montana's Campaign Finance and Practice Laws including:
  - a) failure to timely register as an incidental political committee, Mont. Code Ann. § 13-37-201; and
  - b) failure to separately itemize travel related expenses, Mont. Code Ann. § 13-37-232.

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7. The Commissioner acknowledges that the Respondent has made substantial efforts to comply with Montana's Campaign Finance and Practices Laws, has been in regular contact with the Commissioner concerning disclosure obligations, and has fully complied with all requests for information concerning this matter.
8. The Commissioner and the Respondent agree that execution of this settlement agreement by both parties, and a payment of a civil fine in the amount of \$200.00 by the Respondent, fully and finally resolves all of the issues as set forth in the Decision.
9. Simultaneously with the return of the executed settlement agreement the Respondent will remit to the Commissioner \$200.00, on a check made out to: "Commissioner of Political Practices" and mailed to the Office of the Commissioner of Political Practices, 1209 8th Avenue, P.O. Box 202401, Helena, Montana, 59620.
10. In consideration of payment of the civil fine referenced above, the Commissioner agrees not to pursue any further administrative or court proceedings against the Respondent or other persons that may be named or unnamed in the Decision, based on the matters discussed in the Decision and in this Settlement Agreement.
11. The Respondent enters into this agreement to avoid litigation and to resolve and settle this dispute with the Commissioner. It is understood and agreed that the payment of the civil fine referenced above, and execution of this settlement agreement by the Respondent are accepted as the sole consideration for full satisfaction and compromise of what may be disputed claims.
12. The Commissioner and the Respondent fully and forever release and discharge each other and their respective officials, officers, members, employees, successors, assigns, agents, ostensible agents, attorneys, and representatives from any and all actions, claims, causes of action, demands, expenses, damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the matters investigated by the Commissioner and summarized in the Decision and in this Settlement Agreement.

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13. The Commissioner and the Respondent agree that the executed Settlement Agreement is a public document and will be made available to members of the public.

14. This settlement agreement, consisting of 3 pages, sets forth the entire agreement that has been reached between the Commissioner and the Respondent. No modification or amendment of this agreement will be effective unless both parties complete a subsequent written statement that is signed by both parties.

  
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Jeffrey A. Mangan  
Commissioner of Political Practices

11-27-18  
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Dated

  
\_\_\_\_\_  
For Altria Client Services LLC

11/16/18  
\_\_\_\_\_  
Dated