

## SETTLEMENT AGREEMENT

Re: Skow v. Kephart, COPP-2022-CFP-028

This settlement agreement (Agreement) is entered into by Chris J. Gallus, in his official capacity as the Montana Commissioner of Political Practices (Commissioner) and James W. Kephart of Butte, Montana (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, Mont. Code Ann. §§ 13-37-124 and 128. In order to avoid litigation, the Commissioner and the Respondent enter into this agreement to completely and finally resolve this matter.

1. The Commissioner acknowledges that a Campaign Finance and Practices Complaint was filed against the Respondent for violations of Montana's campaign finance and practices laws on October 31, 2022.
2. On November 15, 2022, the Commissioner issued a Finding of Sufficient Facts to Support a Campaign Practice Act Violation and an Attribution Dismissal, the Commissioner's cause number COPP-2022-CFP-028 "Decision." The Decision determined that the Respondent failed to comply with certain campaign finance and practices laws and administrative regulation.
3. The Respondent acknowledges that they have read and understand the Decision, acknowledge that the facts contained therein are accurate and that the findings are based in law.
4. The Respondent specifically acknowledges the Commissioner determined pursuing the matter was justified and determined there were certain violations of Montana's Campaign Finance and Practice Laws including a failure to timely file a periodic C-5 campaign finance report in accordance with MCA § 13-37-226(1)(b) and failure to timely disclose campaign expenditures in accordance with MCA § 13-37-226(1)(d).
5. As a consequence of these findings (Section 4) the Commissioner referred this matter to the Silver Bow County Attorney as required by MCA §§ 13-37-124 and 125. The County Attorney has referred this matter back to the Commissioner for prosecution, which makes the matter appropriate for civil action or settlement.
6. The Commissioner and the Respondent agree that execution of this Agreement by both parties, and the payment of a civil fine in the amount of One Hundred-Fifty dollars (\$150.00) by the Respondent, fully and finally resolves all of the issues set forth in the decision.
7. The civil fine is payable as follows:
  - a. The Respondent agrees to pay the amount of Seventy-Five dollars (\$75.00) as a civil fine which COPP shall remit to the State General Fund.

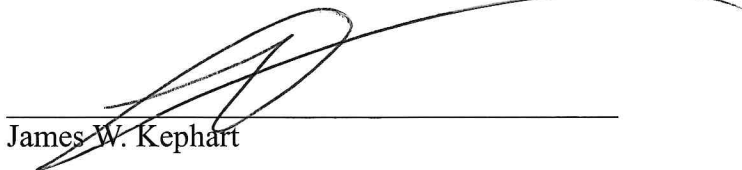
- b. The Respondent agrees that as a member of Butte Silver Bow GOP he will assist in facilitating a campaign training in Butte, MT during the 2024 election cycle.
  - c. The Commissioner agrees to accept the services listed above in satisfaction of the remaining balance of Seventy-Five dollars (\$75.00).
8. Simultaneously with the return of the executed settlement agreement, the Respondent will remit to the Commissioner a check in the amount of \$75.00 made out to "Commissioner of Political Practices" and delivered to the Office of the Commissioner of Political Practices, 1209 8<sup>th</sup> Ave., P.O. Box 202401, Helena, Montana, 59620.
  9. In consideration of payment of the civil fine as described in section 6 of this Agreement, the Commissioner agrees not to pursue any further administrative or court proceedings against the Respondent based on the matters addressed in the Decision and in this 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 the execution of this Agreement by the Respondent is 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 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 in this Agreement.
  12. The Commissioner and the Respondent agree that the executed Agreement is a public document and will be posted on COPP's website and otherwise made available to members of the public.
  13. This settlement agreement, consisting of two 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 a subsequent written statement is signed by both parties.



Chris J. Gallus  
Commissioner of Political Practices

23 - April - 2024

Date



James W. Kephart

4/23/24

Date