

## SETTLEMENT AGREEMENT

This settlement agreement is entered into by Jonathan R. Motl, in his official capacity as the current Montana Commissioner of Political Practices (hereinafter “the Commissioner”) and the following parties: Doug Lair, Bob Faw and Terry Baird (“Respondents”).

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 time consuming and expensive litigation, the Commissioner and the Respondents enter into this agreement to resolve this matter.

1. A campaign practice complaint was filed against Respondents on December 3, 2012 concerning the Respondents’ actions taken during Montana’s 2010 House District 61 (HD61) Republican primary election. The Commissioner issued a Decision responding to the Complaint, dated January 22, 2014.
  
2. The Decision documents prepared by the Commissioner are posted for public viewing on the COPP website under *Esp v. Lair, Faw & Baird*, COPP-2012-CFP-049. The reader of this Settlement Agreement is directed to these documents for a summary and description of the issues resolved by this Settlement Agreement.
  
3. In May of 2014 the Commissioner filed a placeholder civil enforcement action in the Lewis and Clark County District Court, Cause No. ADV-2014-352.
  
4. The Respondents acknowledge that they have read and understand the Commissioner’s agency level Decision issued in this Matter.
  
5. The issue for which the social debt (fine) is assessed is that of unreported and undisclosed campaign contributions, expenditures, and political committee formation in the June 2010 HD 61 Republican party primary election. Specifically, the Respondents sent a letter dated June 3, 2010 to voters in a specific House District election, which was also not fully properly attributed.
  
6. This Matter is settled under the following terms: The Respondents agree to pay the amount of \$1,500 as a civil fine to resolve this Matter. This mitigated fine is based on the value of the letter which was mailed by the Respondents.
  
7. It is understood and agreed that the payment of the civil fine referenced above, and execution of this settlement agreement by the Respondents is accepted as the sole consideration for full satisfaction and compromise of what are disputed claims, both at the agency and district court level. The Respondents further represent that their execution of this Agreement and payment of money does not

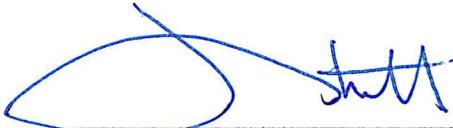
constitute any admission of liability or admission of wrongdoing.

8. The Commissioner and the Respondents further agree that execution of this settlement agreement by both parties, and a payment of a civil fine in the amount of \$1,500 by the Respondents, fully and finally resolves all of the issues as set forth in the Decision and district court action.
9. Simultaneously with the return of the executed settlement agreement the Respondents will remit to the Commissioner \$1,500.00, on a check made out to: "Commissioner of Political Practices" and mailed to the Office of the Commissioner of Political Practices, 1209 8<sup>th</sup> 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 Respondents based on the matters discussed in the Decision and in this Settlement Agreement.
11. The Commissioner further agrees to file within 14 days of the date of execution of this Agreement a voluntary dismissal, with prejudice, of the complaint filed with the Lewis and Clark District Court, in Cause No. ADV-2014-352.
12. The Commissioner and the Respondents 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.
13. The Commissioner and the Respondents 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 Respondents. No modification or amendment of this agreement will be effective unless both parties complete a subsequent written statement that is signed by both parties.

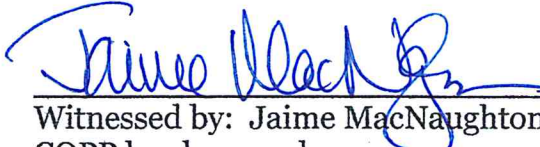
Jonathan R. Motl  
Commissioner of Political Practices

Dated

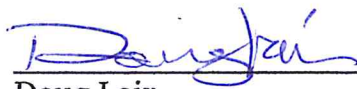
14. This settlement agreement, consisting of 3 pages, sets forth the entire agreement that has been reached between the Commissioner and the Respondents. No modification or amendment of this agreement will be effective unless both parties complete a subsequent written statement that is signed by both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

  
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Jonathan R. Motl  
Commissioner of Political Practices


4-27-17  
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Dated

  
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Witnessed by: Jaime MacNaughton  
COPP legal counsel

4/27/17  
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Dated

  
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Doug Lair  
Respondent

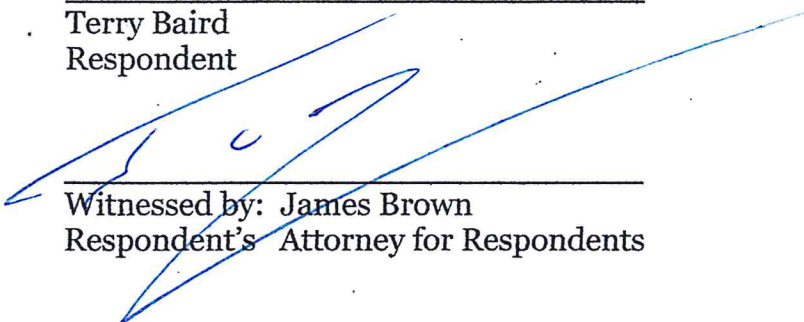
4-17-17  
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Dated

  
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Bob Faw  
Respondent

4-17-17  
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Dated

\_\_\_\_\_  
Terry Baird  
Respondent

\_\_\_\_\_  
Dated

  
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Witnessed by: James Brown  
Respondent's Attorney for Respondents

4/26/17  
\_\_\_\_\_  
Dated

Witnessed by: Jaime MacNaughton  
COPP legal counsel

Dated

Doug Lair  
Respondent

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Dated

Bob Faw  
Respondent

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Dated

Terry Baird  
Respondent



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Dated

4/17/17

Witnessed by: James Brown  
Respondent's Attorney for Respondents

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Dated