

Commissioner of Political Practices
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2020 MAY 14 P 12:09

COMMISSIONER OF
HAND DELIVERED PRACTICES

SIGNED/NOTARIZED

Ethics

HAND DELIVERED

Complaint Form (10/17)

Person bringing complaint (Complainant):

Type or print in ink all information on this form except for verification signature

Complete Name Jeremy Sernigan

Complete Mailing Address PO Box

Helena MT 59604

Phone Numbers: Work _____ Home 406-595-3515

Person or organization against whom complaint is brought (Respondent):

Complete Name Nelly Nicol

Complete Mailing Address 3017 Golden Acres Dr

Billings MT 59106

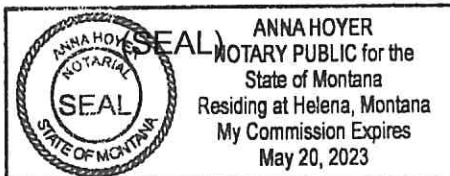
Phone Numbers: Work 406-670-1745 Home _____

Please complete the second page of this form
and describe in detail the facts of the alledged violation.

Verification by oath or affirmation

State of Montana, County of Lewis and Clark

I, Jeremy Sernigan, being duly sworn, state that the information in this
Complaint is complete, true, and correct, to the best of my knowledge and belief.



Signature of Complainant

Subscribed and sworn to before me this 13 day of

May, 2020.

Notary Public

My Commission Expires: 5-20-2023

May 13, 2020

Dear Commissioner Jeff Mangan:

Please accept this complaint against Nelly Nicol, "Citizens for Government Transparency," Mr. Keith Brownfield of Miles City, Montana, and Victory Insurance Co.

Overview

Victory Insurance Co., a corporation that is overseen (and has been previously investigated) by the State Auditor, has recently injected tens of thousands of dollars into the 2020 campaign for State Auditor by way of Citizens for Government Transparency, which is registered as an independent committee with your office. The committee is controlled and funded by Victory Insurance and its CEO, Keith Brownfield, the employer and father of Nelly Nichol, a candidate for State Auditor. There is clear evidence of unlawful, coordinated expenditures being made in the campaign which warrant investigation and prosecution by your office.

Background

Victory Insurance, the state's only private workers compensation carrier, has fought oversight by the State Auditor's office for nearly a decade. Victory's acts ranged from the petty - the company once sued the Auditor over a \$341 records fee assessment - to an all-out protracted battle to stifle an investigation of the company between 2008 and 2010. (*Victory Insurance Co. v. Commissioner of Securities and Insurance*, 1st Dist. Cause No. ADV-2013-366).

Put simply, the Auditor has been a thorn in the side of Victory CEO Keith Brownfield.

Mr. Brownfield is now attempting to turn the tables by electing his daughter, Ms. Nicol, as State Auditor. Ms. Nicol has little experience in insurance, having held her insurance license for less than two years when she announced her candidacy. Her position at Victory is in communications and marketing. Outside of being her father's daughter, she has little experience in the financial services industry.

Dark Money Funding

None of this appears to be legal. As shown on CERS, Citizens for Government Transparency has received all of its funding (\$65,700 thus far) from Victory Insurance. The political committee is run out of Mr. Brownfield's home. He is also its deputy treasurer.

Two weeks ago, Citizens for Government Transparency spent \$9,700 on a billboard in Billings in support of Ms. Nichol. As the attached photographs show, the billboard is identical to campaign literature published by Ms. Nichol's campaign. The only

difference is the disclaimers – one says that it is paid for by Nichol’s campaign, the other says that it is paid for by Citizens for Government Transparency. It is impossible to believe that these are anything but coordinated expenditures, especially given the familial and business ties between Ms. Nicol and her father.

I am therefore requesting an investigation by your office of what appear to be clear violations of Mont. Code Ann. § 13-35-227 (corporate donations to a candidate) as well as violations of Mont. Code Ann. § 13-37-231 for failure to accurately report contributions made in the form of coordinated expenditures as defined by Mont. Code Ann. § 13-1-101(9)(a)(ii).

Thank you for your prompt attention to this matter. Please let me know if there is anything else your office needs from me to conduct your investigation.

Sincerely,



P.S.

Attached are the following photographs:

Image One: Screenshot from Nelly Nicol's Facebook page of signs her campaign has put up on roadsides. Disclaimer is “Paid for by Nelly Nicol for State Auditor”

Image Two: A screenshot of the post from Nelly Nicol's Facebook Page. Disclaimer is “Paid for by Nelly Nicol for State Auditor”

Image Three: Screenshot from Nelly Nicol's Facebook page of multiple uses of this sign design around the State. Disclaimer is “Paid for by Nelly Nicol for State Auditor”

Image Four: Picture of a billboard in Billings through Lamar Advertising. Image is the exact same as the Nelly Nicol for State Auditor Campaign. The disclaimer in this image is “Paid for by Citizens for Government Transparency”

There are at least six of these billboards in Billings all using the Citizens for Government Transparency disclaimer while multiple signs on road sides share the same using the Nelly Nicol disclaimer. Images attached as Exhibit A.



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SPC Jernigan, Jeremy
Cell:1.406.595.3515

