

NANCY SWEENEY
LEWIS AND CLARK DISTRICT COURT

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FILED
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MONTANA FIRST JUDICIAL DISTRICT COURT,
LEWIS AND CLARK COUNTY

Monica J. Lindeen, State Auditor
and Ex-Officio, Montana Securities Commissioner

Petitioner,

vs.

Matthew McClintock, a/k/a Michael Willis,
Albert Michael Willis, Mathew Cody McClintock,
Odell McClintock, Michael Dean McClintock,
Michael Odell, Michael Albert Willis,
d/b/a Bar M Films.

Respondent.

No.: ADV-2015-380

MIKE MENAHAN
PRESIDING JUDGE

PETITION FOR INJUNCTIVE
RELIEF

The Montana State Auditor, Commissioner of Securities and Insurance (Commissioner),
by and through counsel, hereby petitions this Court to grant injunctive relief in the form of a
temporary restraining order preventing the Respondent from engaging in securities business
practices in the state of Montana; from engaging in further violations of the Securities Act of
Montana (Act); and from transferring, encumbering, or disposing of, or attempting to transfer,
encumber, or dispose of, certain assets, monies, and property interests. The Commissioner
additionally petitions this Court to set a hearing for the Respondent to Show Cause why a

preliminary injunction should not be granted preventing the Respondent from taking such actions. In support of this Petition, the Commissioner makes the following:

ALLEGATIONS

1. This Court has jurisdiction to hear this matter pursuant to Mont. Code Ann. §§ 30-10-201, -301, and -305.
2. The Commissioner is authorized to administer the Act, Mont. Code Ann. § 30-10-101 et seq. Mont. Code Ann. § 30-10-107(1).
3. The Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI) is a criminal justice agency. Mont. Code Ann. § 30-10-304(5).
4. The Act is to be construed to protect the investor, persons engaged in securities transactions, and the public interest. Mont. Code Ann. § 30-10-102(1).
5. If it appears that any person has engaged in or is about to engage in a violation of the Act, the Commissioner may bring an action in a court of competent jurisdiction in order to enjoin activity and to enforce compliance with the Act. Mont. Code Ann. § 30-10-305(1)(b).
6. It is a violation of the Act for anyone to transact business in the state of Montana as a securities broker-dealer or salesperson if the person is not registered under the Act. Mont. Code Ann. §30-10-201(1). Mont. Code Ann. § 30-10-306 provides criminal penalties for violations of said statute.
7. It is a violation of the Act for any person, in connection with a securities transaction, to employ any device, scheme, or artifice to defraud any person; or to engage in any act, practice, or course of business that operates or would operate as a fraud or deceit upon any person. Mont. Code Ann. §30-10-301(1). Mont. Code Ann. § 30-10-306 provides criminal penalties for violations of said statute.

8. It is a violation of Mont. Code Ann. § 45-6-301(7)(b) to, with the purpose to deprive another person, purposely or knowingly obtain by deception, control over another person's property which was entrusted to the person.

9. The facts establishing the necessity of injunctive relief are as follows:

a. Missoula County Police Department Detective Stacy Lear referred a case to CSI Deputy Securities Commissioner Lynne Egan (Egan), which included potential securities violations involving the Respondent. Egan is a forensics accountant who has worked for the CSI for over 20 years as a Securities Examiner and Deputy Commissioner of Securities. Prior to her work at the CSI, she was an income tax compliance officer for the Montana Department of Revenue for 3 years and worked for D.A. Davidson for 10 years as an operations manager. She has served as an expert witness in many securities-related cases and has extensive training and experience relating to securities regulation. Based on Egan's report, your affiant is aware of the following.

b. Kelly Bigelow (Bigelow) owns Brand Edge Marketing, which provides advertising and marketing services to Missoula and surrounding areas. Respondent hired Bigelow to find individuals to invest in a documentary Respondent was developing about cowboy heritage in Montana. Respondent convinced Bigelow the project was legitimate by showing him a now defunct website, cowboyheritage.net. Respondent further represented he had high level, Hollywood talent lined up (including Clint Eastwood for narration), qualified Montana history consultants to provide historical context (including University of Montana history professor William Farr), and contracts with Fox and PBS to run the documentary.

c. Bigelow introduced J.R. to Respondent. Respondent convinced J.R. to invest \$2,500 in the film based on the same story he told Bigelow. For his investment, or sponsorship

fee, J.R. would have his name listed on the film's credits and would receive royalties. Additional royalties would help fund the Western Montana Breast Cancer Fund.

d. Respondent made presentations at local hospitals, including St. Patrick Hospital and Health Sciences Center, where he solicited investors for the documentary.

e. The CSI spoke with PBS representative William Marcus about Respondent's claim the documentary would air on PBS. Marcus knew of Respondent's claims, but confirmed there was not now, nor had there ever been, an agreement with Respondent to air any documentary on PBS.

f. The CSI spoke with Dr. William Farr, who stated he spoke with Respondent, but had not done any work with the documentary and had not looked at it from a historical perspective. Farr further stated once he became aware that Respondent was using his name to lend credibility to the documentary, he asked him to stop.

g. The CSI was unable to locate an organization called the Western Montana Breast Cancer Fund.

h. Respondent's business entity is called Bar M Films. It is not registered with the Montana Secretary of State, nor has it filed for a securities registration or sought an exemption from the CSI.

i. Bar M Films issued Bigelow a \$500 commission check for getting J.R. to invest money in the Respondent's scheme. The check (drawn on account #1400318299) was drawn on Bar M's First Interstate Bank account, which is wholly owned by Respondent. (Exhibit 1).

j. Respondent has previously been incarcerated in Oklahoma on securities violations related to a business called Whispering Wind Productions.

k. Respondent was incarcerated in Montana for deceptive practices when he portrayed himself as a film producer, made public service commercials for phony children's

reading programs, and told people he worked for California businesses and Hollywood actors who were investing in land to build a ranch for underprivileged children in Montana. Investing businesses were told they would receive producing advertisements.

l. A review of the CSI's internal database and the Securities and Exchange Commission's (SEC) EDGAR database, which contain securities filings for all interstate securities offerings, and the Financial Regulatory Authority's (FINRA) Central Registration Depository (CRD), which maintains registration filings for all broker-dealer firms and securities salespersons, shows that Respondent is not now, nor has he ever been, registered as a broker-dealer firm or issuer, or registered in any capacity with the CSI, the SEC, or FINRA.

m. A review of the CSI's internal database and the CRD show that Respondent is not now, nor has he ever been, registered as a securities broker-dealer or salesperson with the CSI or FINRA.

10. The facts alleged above indicate Respondent has engaged in securities transactions despite the fact that neither he nor Bar M Films are now, nor have they ever been, registered as a broker-dealer, salesperson, or issuer with the State of Montana, in violation of Mont. Code Ann. §§ 30-10-103, -201.

11. The facts alleged above indicate the Respondent engaged in a course of business which operated as a fraud upon investors, in violation of Mont. Code Ann. § 30-10-301(1).

12. The facts alleged above indicate the Respondent has possession of or control of assets and property interests acquired using fraudulently obtained investor money.

13. The Commissioner has reason to believe that the Respondent may attempt to transfer, encumber, dispose of, or alienate their interest in those monies, assets, and property interests obtained using investor funds. These actions would result in immediate and irreparable

injury to the investors by depriving them of sources from which to recover their investment funds. Additionally, such actions would perpetuate the Respondent's violations of the Act.

14. Because it appears the Respondent has engaged in numerous violations of the Act, the Commissioner is entitled to injunctive relief in order to restrain Respondent from violating the Act and to enforce conformity with its provisions.

15. Pursuant to Mont. Code Ann. § 27-19-315, the Commissioner has not, and is not required to, give notice to the Respondent of this Petition. The facts alleged above demonstrate that providing the Respondent notice of the Petition prior to its filing would enable the Respondent to liquidate assets and property interests obtained using investor funds, would cause investors immediate and irreparable injury by depriving them of sources from which to recover their investment funds, and would allow the Respondent to engage in further violations of the Act, which violations the Commissioner is obligated to prevent.

WHEREFORE, the Commissioner seeks the following relief:

1. That this Court issue a temporary restraining order pursuant to Mont. Code Ann. §§ 27-19-314 and 30-10-305(1)(b) restraining the Respondent from engaging in securities business practices in the state of Montana including, but not limited to, the collection of any monies or forms as a result their solicitations in connection with the aforementioned documentary;

2. That this Court issue a temporary restraining order pursuant to Mont. Code Ann. §§ 27-19-314 and 30-10-305(1)(b) restraining the Respondent from committing further violations of the Act;

3. That this Court issue a temporary restraining order pursuant to Mont. Code Ann. §§ 27-19-314 and 30-10-305(1)(b) restraining the Respondent from transferring, encumbering, or disposing of, or attempting to transfer, encumber, or dispose of any monies, assets, and property

interests which may have been obtained, in whole or in part, using investor funds. These monies, assets, and property interests include, but are not limited to, the following:

- a. First Interstate Bank Account # 1400318299;
- b. Any other First Interstate account currently under Respondent's control;

4. That this Court issue a temporary restraining order pursuant to Mont. Code Ann. §§ 27-19-314 and 30-10-305(1)(b) restraining the Respondent from transferring, encumbering, or disposing of, or attempting to transfer, encumber, or dispose of any monies held in any of the bank accounts owned or controlled by Respondent, as listed above, plus any and all other accounts owned or controlled by Respondent because the monies may not belong to the Respondent and may have been obtained through fraud.

5. That this Court set a hearing for the Respondent to Show Cause pursuant to Mont. Code Ann. §§ 27-19-201(1) and 30-10-305 why he should not be enjoined from the activities for which a temporary restraining order has been requested.

6. Any other relief this Court deems just and proper.

DATED this 27th day of May, 2015.



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