

February 3, 2025

**PRESS RELEASE AND STATEMENT TO KENTUCKY MEDIA by Jeff Mayberry, Former Kentucky State Police Captain Regarding Attempted “Sell-Out” Settlement of KPPA Trust Fund Claims by Lawyer Fired for Incompetence and Disloyalty**

I was a member of Kentucky law enforcement from 1986 to 2011 as a Kentucky State Police (“KSP”) Trooper, Sergeant, Lieutenant, and Captain. During my career in law enforcement, I had a variety of assignments around the state. I conducted many investigations and as supervisor and commander led many specialized investigations including political corruption, white collar crime, money laundering and organized crime, as well as performing other specialized operational police functions. By the time I decided to retire, I had commanded Special Investigations and regional posts at Bowling Green, Richmond, Pikeville, and Special Operations twice.

After I left the KSP, as a US State Department direct hire I was director of operations for a police development program and mentored senior Iraqi police officials in specialized investigations, including police operations, anti-corruption and counterterrorism. I was later a contractor with US state department and served as a counterterrorism, anti-corruption mentor/advisor in Afghanistan to senior police and national security officials. I believe in law enforcement, and I certainly know right from wrong. What is going on here is very wrong.

Several years ago, I, along with the late Circuit Judge Brandy Brown and other state employees, started a lawsuit to recover damages for our public employee pension plan which had collapsed in a “death spiral” and was “virtually bankrupt.” Judge Brown and I retained our longtime friend and lawyer, Michelle Ciccarelli Lerach, who went to law school here in Kentucky

and then went on to gain impressive achievements and experience in similar litigation, suing Wall Street Banks, like the Hedge Fund Sellers, Blackstone and KKR, and their top executives Stephen Schwarzman, Henry Kravis and George Roberts. Our lawsuit sought billions in compensatory and punitive damages. When it was ready to be filed, we located Ann Oldfather, a Louisville lawyer, as a possible local Counsel. After Oldfather signed a Confidentiality Agreement, she was hired as local counsel and our case was filed.

Oldfather proved impossible to work with. After several months Judge Brown, I and the other “Mayberry Five” terminated Oldfather for incompetence, failure to follow orders, deceitful practices and disloyalty. See attached September 3, 2019 letter of the Mayberry Five, which details Oldfather’s failures, her termination for cause. The letter specifically warned her to obey her duties as a **terminated** lawyer to her former clients *i.e.* to protect and preserve their confidences and work product of their lawyers who hired her.

After Oldfather was fired, she immediately sought to betray us. She went to former AG Cameron and got him to hire her – including getting special legislation to pay her a fee way beyond that legally allowed at that time. Oldfather then used the stolen work product and confidential information, which I understand a terminated lawyer is not allowed to do under Kentucky Supreme Court Rules, to file her case for AG Cameron. As Judge Shepherd said, the AG “copied” my original complaint. Cameron then took over the case Judge Brown, I and the others had filed, excluding us from any participation.

Governor Andy Beshear vetoed the special fee legislation that was enacted ***without a hearing or any competitive bidding process*** to give Oldfather an enhanced 20% contingent fee. Governor Beshear said “I am vetoing... because this provision permits the AG to bypass the

Statutory Model Procurement Code to hire lawyers for a single case. This unprecedented authorization would allow a quid pro quo situation and provides no guard rails on how much the rate of payments will be, provides for no competition among qualified law firms and does not ensure accountability with Taxpayer dollars.” Absent that special legislation the most Oldfather would be entitled to is about \$7 million, computed on the \$82 million cash portion of the recovery – far less than the \$46 million I believe she is trying to secretly get.

Governor Beshear vetoed the special fee legislation because it reeked of corruption. But AG Cameron got the veto overridden. Oldfather, after having been fired for cause, was then allowed by AG Cameron to file a taxpayer suit using materials and information she stole from us and our lawyers. Now she is attempting to settle that case for pennies on the dollar, where KPPA ends up with only \$36 million in new money. This is underhanded, abusive and must be stopped.

I have seen Press Reports detailing how this settlement being attempted by Oldfather is a deceptive sham. The claimed settlement amount of \$227 million is false. \$145 million of that \$227 million is already KPPA trust funds that are merely being turned back over to the trust funds after having been wrongfully withheld for years by the Hedge Fund Sellers – and is the subject of a pending motion filed by my lawyer in the Tier 3 Trust Beneficiary case. The remaining \$82 million in cash is to be reduced by a secret \$46 million fee to the AGs private lawyer. This leaves just \$36 million in net new cash for KPPA. A \$36 million recovery on a claim the Hedge Fund Sellers repeatedly admitted was worth \$50 billion – a .00072 percent recovery.

The Press is onto what is going on.

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**More Kentucky Dirty Dealings: Attorney General Schemes to Leave Hundreds of Millions in Pension Recovery on the Table, Give Sweetheart Payout to Attorneys, To Settle Claims Against Private Equity Kingpins KKR and Blackstone, Including Ones by Plaintiffs the AG Does Not Represent**

Posted on January 23, 2025 by Yves Smith



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## KY state workers group blasts pension settlement with hedge funds, presses its own lawsuit

BY: TOM LOFTUS - JANUARY 24, 2025 11:34 AM



**courier journal**

LOCAL

### Is \$227M enough? Lawyer takes aim at pension deal, saying it's far less than state is owed



**Lucas Aulbach**

Louisville Courier Journal

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Oldfather continues to promote her lawsuit in court and in the media as the “Mayberry” case. I resent my likeness and name being used in recent reporting implying Oldfather represents me or the interests of others for whom I stuck out my neck. I was not consulted at all about her attempted settlement and I strongly object to it. My hope in coming forward is that current Attorney General Coleman will immediately put an end to this attempted shakedown and windfall for a lawyer he inherited from his predecessor who hired her despite the fact her original clients had fired her for cause and warned her not to do what she did.

This release is to bring public attention to Oldfather, whom I and others fired for incompetence, failure to follow our instructions and disloyalty. Her current attempt to engineer a “sell-out” settlement of the breach of trust claims to benefit the KPPA trusts holding the retirement savings of Kentucky’s 420,000 public employees. Oldfather is doing this in an improper manner, where she secretly receives a \$46 million fee. The attempted Settlement benefits the heads of the Wall Street Hedge Fund Sellers Blackstone and KKR – billionaires Schwarzman, Kravis and Roberts, who shared in over \$300 million in “exorbitant hedge fund fees” extracted in Kentucky yet pay nothing in the attempted Settlement. This is wrong.

The Tier 3 Trust Beneficiary claims have been upheld as valid for separate prosecution by Judge Thomas Wingate in Franklin Circuit Court. Nevertheless, the settlement being engineered by Oldfather would wipe out those claims potentially worth billions of dollars for a pittance. Under her deal she is asking Judge Wingate to approve those potentially valuable claims are wiped out. KPPA nets just \$36 million in new cash. This seems terribly unfair and wrong to me.

My lawyers who originally represented me (and the other “Mayberry Five” who fired Oldfather) now represent other Tier 3 KPPA Members Trust beneficiaries suing on behalf of the

Trust's 420,000 beneficiaries pursuing the facts we asserted years ago to recover damages for the KPPA Trusts and to return ill-gotten gains to the pension trusts. They have now filed formal detailed objections to this sellout settlement with the Court. I strongly endorse these objections.

This situation provides an opportunity for the media, public officials and KPPA members and Trust beneficiaries to speak truth to power. Anyone who cares about the integrity of public pensions that protect public workers – and Kentucky's 420,000 public employees in particular – should come forward and oppose what this dishonorable lawyer is trying to do. I hope the media will do that and get to the bottom of this.

Under the Kentucky Public Records Act any person may request the AG make public all materials relating to how this attempted settlement came about – so the public can see what's going on in their public employee pension system. I hope members of the public and the media do so.

Although no public notice of it has been given, a court hearing seeking approval of this disgraceful charade is scheduled for February 26, 2025, at which there will be vehement objections raised by KPPA pension trust beneficiaries, including me, to what is being attempted by this disloyal lawyer assisted by the Wall Street Hedge Fund Sellers.

If this is something you are concerned about and wish to know more, please contact me through my lawyer, Jeff Walson, [jeff@walsonlcm.com](mailto:jeff@walsonlcm.com).

Captain Jeffrey Mayberry, Retired Kentucky State Police

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