

VIRGINIA ACTS OF ASSEMBLY -- 1997 SESSION

CHAPTER 482

An Act for the relief of Glen D. Pond.

[H 1929]

Approved March 18, 1997

Whereas, Glen D. Pond served as Director of the Virginia Retirement System (VRS) for over 18 years; and

Whereas, Mr. Pond retired in 1991 after having led the VRS to the forefront among public retirement systems in the United States; and

Whereas, in 1992, the Attorney General's Office and federal prosecutors each began separate investigations into the VRS's acquisition of RF&P Corp.; and

Whereas, the investigations by the Attorney General's Office and the federal prosecutors were directed at actions taken in good faith by Mr. Pond and certain members of the VRS Board of Trustees; and

Whereas, federal prosecutors publicly made false allegations against Mr. Pond and others; and

Whereas, after more than three years of investigation including two different teams of federal prosecutors and two separate grand juries, no charges were filed against Mr. Pond; and

Whereas, no counsel was provided to Mr. Pond by the Attorney General's Office; and

Whereas, on January 21, 1994, Governor George Allen revoked an order signed by former Governor L. Douglas Wilder providing a state-funded defense of officers, agents, and employees of the Commonwealth of Virginia investigated by the United States in connection with the VRS investment in RF&P; and

Whereas, Mr. Pond incurred legal expenses of \$145,000 to defend himself against the false allegations which have blemished his reputation and caused great pain and suffering to both Mr. Pond and his family; and

Whereas, the VRS has currently, and has maintained since 1978, a directors and officers liability insurance policy, which Mr. Pond believed would protect him in the event that he was falsely accused of wrongdoing in connection with carrying out his duties on behalf of the VRS; and

Whereas, the VRS directors and officers liability insurance company failed to indemnify Mr. Pond; and

Whereas, on February 27, 1996, Mr. Pond submitted a request to VRS for payment of expenses incurred over the course of the investigation; and

Whereas, on July 31, 1996, the Attorney General stated publicly that the Commonwealth of Virginia lacked the authority to reimburse Mr. Pond; and

Whereas, Mr. Pond has no other means to obtain relief except by action of this body; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. § 1. *That there is hereby allocated out of funds appropriated to the Virginia Retirement System the sum of \$145,000 for the relief of Glen D. Pond. This sum shall be paid by check issued by the State Treasurer on a warrant issued by the Comptroller, upon execution by Glen D. Pond of a release of all claims he may have against the Commonwealth or any of its political subdivisions.*